

Agenda for a meeting of the InternetNZ Council
Friday 19 June 2009
Level 10 Exchange Place, 5-7 Willeston St, Wellington

Start	Item	Person
10.00am	Council alone time	
10.10am	Council Workshop with Richard Currey (no other staff)	
12.00pm	Working lunch	
12.30pm	Apologies:	President
	Declaration of Councillor interests	President
	Agenda consideration - in committee items	President
	Consent agenda item	President
	<i>President/</i>	
	<i>THAT the minutes of the meetings held on 2 February 2009 and 20 March 2009 be received and adopted as a true and correct record, AND THAT the following reports be received:</i>	
	a. President's Report	
	b. Vice President's Report	
	c. Evote ratification	
12.40pm	Matters arising from the minutes	President
	- Outstanding action points from previous meeting	
12.45pm	Executive Director's report	Keith Davidson
	- March, April monthly reports	
1.00pm	Vice President's report	Vice President
	- Travel report	
1.05pm	Interim Management Committee report	Frank March Richard Currey
	- IMC minutes summary	
	- IMC ToR	
1.15pm	CEO report	Richard Currey
	- Current status	
	- Consolidated group Year End Annual Report	
	- InternetNZ accounts – April	
	- Premises update	
	- History Book update	
	- D.I.A. update	
	- Cyberlaw update	
	- Grants update	
	- Membership update	
	- Hectors World Ltd update	
2.00pm	President's report	President
2.15pm	End of year financial statements	Michael Wallmannsberger
	- Auditor's Report and Annual Report	
2.20pm	NZ Registry Services report	Anne Urlwin Jay Daley
	- Fourth Quarterly Report	
	- Q4 financial reports	
2.50pm	Domain Name Commission Limited report	Joy Liddicoat Debbie Monahan
	- Fourth Quarterly Report	
	- February, March, April Monthly Reports	

3.20pm	Afternoon tea	
3.35pm	Council strategic planning day	President
3.50pm	AGM agenda setting	President
	- Discussion on draft agenda	
4.10pm	TUANZ and Audit and Risk reports	President
	- Finalisation of reports	
4.30pm	General business	President
5.00pm	Council meeting ends	President

Annotated agenda for a meeting of the InternetNZ Council

Friday 19 June 2009

Level 10 Exchange Place, 5-7 Willeston St, Wellington

Start	Item	Person
10.00am	Council alone time	
10.10am	Council Workshop with Richard Currey (no other staff)	
12.00pm	Working lunch	
12.30pm	Apologies:	President
	Declaration of Councillor interests	President
	Agenda consideration - in committee items	President
	Consent agenda item	President
	<i>President/ THAT the minutes of the meetings held on 2 February 2009 and 20 March 2009 be received and adopted as a true and correct record, AND THAT the following reports be received:</i>	
	a. President's Report	
	b. Vice President's Report	
	c. Evote ratification	
12.40pm	Matters arising from the minutes	President
	- Outstanding action points from previous meeting	
12.45pm	Executive Director's report	Keith Davidson
	- March, April monthly reports	
	<i>THAT the Executive Director's Report be received THAT the March and April 2009 Activity / Workstream reports be received THAT the February 2009 financial reports and the forecast to 31 March 2009 and the March 2009 financial reports be received</i>	
1.00pm	Vice President's report	Vice President
	- Travel report	
1.05pm	Interim Management Committee report	Frank March Richard Currey
	- IMC minutes summary	
	- IMC ToR	
	<i>Vice President/Cr James THAT the Interim Management Committee report be received THAT Council approves the Interim Management Committee Terms or Reference as provided in the Interim Management Committee report to Council</i>	
1.15pm	CE report	Richard Currey
	- Current status	
	- Consolidated group Year End Annual Report	
	- InternetNZ accounts – April	
	- Membership update	
	- Premises update	
	- History Book update	
	- D.I.A. update	
	- Cyberlaw update	
	- Grants update	
	- Hectors World Ltd update	
	<i>THAT Chief Executive's Report be received</i>	

2.00pm	President's report	President
2.15pm	End of year financial statements <i>Cr Wallmannsberger/Cr Foley "THAT Council receive and adopt the financial statements for the year ended 31 March 2009."</i>	Michael Wallmannsberger
2.20pm	NZ Registry Services report - Fourth Quarterly Report - Q4 financial reports <i>THAT the NZRS Fourth Quarter 2008 - 2009 Report be received</i>	Anne Urlwin Jay Daley
2.50pm	Domain Name Commission Limited report - Fourth Quarterly Report - February, March, April Monthly Reports <i>THAT the DNCL reports be received</i>	Joy Liddicoat Debbie Monahan
3.20pm	Afternoon tea	
3.35pm	Council strategic planning day	President
3.50pm	AGM agenda setting - Discussion on draft agenda	President
4.10pm	TUANZ and Audit and Risk reports - Finalisation of reports	President
4.30pm	General business	President

InternetNZ Councillor Register of Interests

Officers and Councillors are required to register any interests, commercial, political or organisational, which they believe may be relevant to the perception of their conduct as a Councillor or Officer. Officers and Councillors are, however, still required to declare a Conflict of Interest, or an Interest, and have that recorded in the Minutes.

Honoraria

Officers and Councillors receive the following annual honoraria:

President - \$24,000

Vice President - \$11,150

Councillor - \$9,000

Officers

Name: **Peter Macaulay**

Position: President, InternetNZ

Term: AGM 2007 - AGM 2009

Declaration Date: Last updated on 2 June 2009

Interests:

- Managing Director of the NoI IT Group.
- Advisor on software valuation.
- Independent IT consultant.
- Owner of several .nz domain names.
- Member of NZCS.
- Judge for World Summit Awards.
- Officer's Honorarium for InternetNZ.

Name: **Frank March**

Term: AGM 2007 - AGM 2009

Declaration Date: Last updated on 6 March 2009

Interests:

- Holds two .nz domain name registrations
- Member of NZ Association of Scientists
- Officer's Honorarium for InternetNZ.
- Employed by the NZ Government (Ministry of Economic Development), consequently:
- NZ representative on the Governmental Advisory Committee of ICANN
- Member of IPv6 Steering Group and administration team

Councillors

Name: **Chris Streatfield**

Term: AGM 2008 - AGM 2011

Declaration Date: Last updated 28 August 2007

Interests:

- 1 gTLD domain name and 1 .nz domain name
- Member of the Institute of Directors
- Councillor's Honorarium for InternetNZ.

Name: **Michael Wallmannsberger**

Term: AGM 2008 - AGM 2011

Declaration Date: Last updated on 2 June 2009

Interests:

- Employee of ASB Bank Limited
- Member of the New Zealand Labour Party.
- .nz domain name registrant
- Member of the Standards Council
- Member of the Institute of Directors
- Shareholder/Director, Wallmannsberger Ltd
- Shareholder/Director, Yellow Brick Investments Ltd
- Councillor's Honorarium for InternetNZ.

Name: **Jamie Baddeley**

Position: Councillor, InternetNZ

Term: AGM 2008 - AGM 2011

Declaration Date: Last updated August 2007

Interests:

- Employee, FX Networks Ltd
- FX Networks are the ISP for both InternetNZ and NZRS
- President, ISPANZ
- Owner and Director of Viewpoint Consulting Ltd
- Viewpoint Consulting Ltd is a shareholder of FX Networks Ltd
- Registrant of vpc.co.nz, is.org.nz, internetstandards.org.nz
- Councillor's Honorarium for InternetNZ.

Name: **Jonny Martin**

Position: Councillor, InternetNZ

Term: AGM 2008 - AGM 2010

Declaration Date: Last updated on 6 March 2009

Interests:

- Employee of Packet Clearing House
- Shareholder of FX Networks Ltd
- Director of the Asia Pacific Internet Association (APIA)
- member of NZNOG and APRICOT organising committees
- Hold a number of .nz and .net domain names
- Councillor's Honorarium for InternetNZ.

Name: **Liz Butterfield**

Position: Councillor, InternetNZ

Term: AGM 2007 - AGM 2009

Declaration Date: 24 August 2007

Interests:

- Managing Director Hector's World™ Ltd.
- Member Internet Safety Group/NetSafe
- Holds 3 .nz domain names.

Name: **Stewart Fleming**

Position: Councillor, InternetNZ

Term: AGM 2007 - AGM 2009

Declaration Date: 27 August 2007

Interests:

- Shareholder/Managing Director, WIC NZ Ltd, Internet Service Provider operating in Dunedin City
- Registrant of several .nz domain names
- Involved in the contract to operate Dunedin Peering Exchange on behalf of Citylink Ltd.
- Currently involved as host organiser for NZNOG conference in Dunedin, January 2008
- Councillor's Honorarium for InternetNZ.

Name: **Michael Foley**

Position: Councillor, InternetNZ

Term: AGM 2007 - AGM 2009

Declaration Date: Last updated on 2 June 2009

Interests:

- Director of Voco Limited
- Vice Chairman of TUANZ Board
- Director of Domain Name Commission Ltd
- Domain Name Commission Director's fees
- Holder of .nz domain names
- Frequently contracted in consultancy or advisory capacity by public sector agencies (including MED, Commerce Commission, SSC and others)
- Councillor's Honorarium for InternetNZ.

Name: **Hamish MacEwan**

Position: Councillor, InternetNZ

Term: AGM 2007 - AGM 2009

Declaration Date: 24 August 2007

Interests:

- Self employed Open ICT consultant
- Contracted to the MED's Radio Spectrum Policy & Planning group
- Registrant of sundry .nz domains
- Councillor's Honorarium for InternetNZ.

Name: **Judith Speight**
Position: Councillor, InternetNZ
Term: AGM 2007 - AGM 2009
Declaration Date: Last updated on 2 June 2009

Interests:

- Executive Director of Accelerating Auckland Inc.
- Director and shareholder of ITT WRKZ Limited.
- Holder of several .nz domain name registrations
- Carers NZ Trustee
- NACCQ Councillor
- Councillor's Honorarium for InternetNZ

Name: **Donald Clark**
Position: Councillor, InternetNZ
Term: AGM 2008 – 2011
Declaration Date: 20 April 2009

Interests:

- Holds several .nz domain name registrations
- CEO of REANNZ

Name: **Neil James**
Position: Councillor, InternetNZ
Term: AGM 2008 – 2010
Declaration Date: August 2008

Interests:

- Deputy Chair, Advanced Network Capability Build Advisory Panel
Member of Identity and Access Management for Education and Research (IMAGER)
- Member of the BeSTGRID Steering Group
- Supporting fibre development in the Dunedin region
- Fellow of NZCS
- Councillor's Honorarium for InternetNZ



NOTE TO COUNCIL
12 June 2009

FOR INFORMATION

Note to Council regarding the minutes of a Council Teleconference - 2 February 2009

Please note that these minutes are not published due to confidentiality around staff positions.

The minutes were circulated on the "Council-ONLY" mailing list.

MINUTES OF COUNCIL MEETING: 20 March 2009

- Status:** Staff Draft
- Present:** Peter Macaulay (President), Frank March (Vice President), Chris Streatfield, Donald Clark, Hamish MacEwan, Michael Foley, Judith Speight, Neil James, Jamie Baddeley, Stewart Fleming (by teleconference), Liz Butterfield, Jonny Martin.
- Apologies:** Michael Wallmannsberger.
- In Attendance:** Keith Davidson (Executive Director), Susi Fookes (SSU Manager), Anne Urlwin (NZRS Chair), Jay Daley (NZRS CEO), Debbie Monahan (DNC), Richard Curry (DNCL Chair), Paul Swain (Executive Board Chair), Jordan Carter (minute taker), Simon Riley (Contractor), Campbell Gardiner (Audio)
- Meeting Opened:** 09.30 - *Council alone time.*
- The President formally opened the meeting at 11.49am.*

1. Apologies

Pete apologised for the late start to the meeting due to an extended Council alone-time.

Michael Wallmannsberger's apology was accepted; Donald Clark flagged a possible early departure.

2. Agenda Consideration - In Committee Items

Executive Board report, discussion of the .nz domain name fee.

3. Declaration of Councillors Interests

No changes to the ongoing declaration other than a change from Liz which had not been recorded (removal of her honorarium), and Hamish who no longer works for MED. Pete also noted from the minutes of the last meeting that he now works for IDC.

Pete notes a possible item on Accelerating Auckland, and he declares he is on the core group of that organisation so he will abstain from any discussion about this.

ONGOING ACTION POINT: Councillors are reminded to provide written confirmation of any changes to the register to susi@internetnz.net.nz

4. Consent Agenda Item

RN 01/09: THAT the minutes of the meeting held on 12 December 2008 be received and adopted as a true and correct record as amended, and that the following reports be received: President's Report.

(President/Chris Streatfield)

CARRIED U

5. Matters Arising from the Minutes

Noting AP 46/08 – p. 15 – Donald notes he was not reminded. It has been removed from the list.

AP 01/09 **ONGOING** SSU Manager to include register of Action Points in meeting papers.

6. President's Report

AP 02/09 SSU Manager to circulate the minutes of the last meeting of the Business Development Committee to the Council.

The report was taken as read.

7. Audit and Risk Committee

Audit and Risk Committee Report

Pete noted the Executive Board's response was not received until late last night. Frank's contention is that given other issues to discuss with the Executive Board, all the issues in the report are being dealt with.

Judy argued the report needs to be received along with the Executive Board's response.

Pete does not believe the A&R Report can be considered at all, as the Board's response was not received in time.

Judy noted the Board considered the report on Monday, and received staff feedback on the Board's response on Thursday.

Pete believes there is no chance for consideration.

Chris noted that there are some items for which the papers are not present in the papers pack. Pete noted that these are the Westlake report on the TUANZ issue, the A&R Report, but they have been previously circulated.

AP 03/09 SSU Manager to circulate draft minutes of the 2 February 2009 teleconference on the Council-only list for amendment, and then advance an e-vote to adopt.

RN 02/09: That the Audit and Risk Report of 30 January be received by Council.

(Judy Speight / Donald Clark)

Carried

Abstained: Chris Streatfield

2008/09 Audit

Chris asked why the engagement letter from the Auditors was in the Council papers – SSU Manager responded that it was at the request of the A&R Chair.

This item will be continued later in the agenda, as the Audit and Risk Committee and SSU Manager is meeting the Auditor during the lunch break.

8. Society Finances

Consolidated Q3 group financial reports

Chris met with SSU Manager and Accounting Technician to discuss a range of matters, and also met with the Executive Board on the reports.

The consolidated accounts currently show three entities: Council, DNC and NZRS. There is no separation between the Council and the EB shown. This should be put in place. There will be changes to the accounting system from 1 April which will change the reports Council will see from now on.

Chris noted that currently some of the items in the Council reports include Executive Board items, and that some of the Executive Board reports include Council items. The reports instead need to reflect the structure that is in place. E.g. Dividend, Membership fees are Council income not EB income.

Cash at end of year looks likely to be around \$1.35m, which is not as bad as it looked in December. Changes with NZRS Dividend timing will assist with cashflow management.

NZRS has now achieved charitable status due to being a subsidiary of InternetNZ. Chris proposed that we look at NZRS's tax base and that those funds be transferred to InternetNZ on the same basis as would have been transferred to the IRD. Council can then discuss the long term use of that additional funding, and it will be held by the Society and not the company. Also, financial reserves of the Council will be increased, solving cashflow and a second ability if required to finance the EB's operations out of other funds if required.

Note that a decision is still required about how to fund the EB on an ongoing basis.

Michael Foley noted that cashflow is about tight management, not the size of reserves. He would prefer a considered dialogue with the board of NZRS before deciding what is done with the funds that are coming from the change in tax status. This conversation can occur with the Board this afternoon.

Hamish asked a question about the Group figures on p. 45.

AP 04/09 SSU Manager to examine accounts query regarding consolidation issue and report back to Council, responding to Cr MacEwan's question "Why are the Group figures in the Balance Sheet at total equity not the sum of the divisional ones? Same question applies to Movement in Equity on p. 44."

Finance Committee

Pete noted the recognition of a lack of whole-of-society Accounting function. He decided to set up a Finance Committee (Pete, Frank and Chris). Terms of Reference to be developed in consultation with Council, based on the earlier Finance Committee.

Donald asked why those three people were chosen - on the basis of skills? Pete noted that Council leaders and Chris as most knowledgeable Councillor on the accounts.

Judy noted Paul's suggestion of a different model for the finances, and NZRS has proposed this too.

Pete noted that those other proposals can be discussed during those Boards' reports.

AP 05/09 SSU Manager to work with President to develop Terms of Reference for the Finance Committee, then bring to evote for ratification.

Budgets

Pete introduced the item, which is Council's own budget. Chris noted that the Budget is based on last year's Budget. Items raised included whether the Council entertainment line was high enough to meet the cost (currently \$2,000 for a Christmas dinner and any other entertainment during the year).

Chris queried whether Audit budget line should sit in the Council's budget or in the SSU's budget, He sees no arguments either way. Liz asked about Marilyn Cade's desire for a higher international profile for InternetNZ, and whether the international travel budget should be increased to allow this. No resolution was made to this.

RN 03/09: That the Council Budget as presented be approved.
(Chris Streatfield/Jamie Baddeley)
Carried U

The ICANN meeting in Sydney was discussed, and Frank advised that any Councillors interested should express their interest early.

AP 06/09 SSU Manager to work with the President to develop a process for dealing with ICANN travel applications.

9. Membership consultation outputs

There was no output specifically, but this is touched on in Susi's report. Susi added that at the Wellington meeting the members seemed keen on a larger Budget.

10. TUANZ relationship

Pete introduced a discussion about the Westlake Report on the TUANZ/InternetNZ relationship.

Michael Foley noted that Councillors have read the Report. As Donald reflects, it is important that Council notes that the report was commissioned and money spent in good faith, and some findings delivered. Temperature check to be done now and then there is a need to develop a considered Council view.

Perhaps Westlake goes too far in defining some ends. Michael notes his personal view on the inevitability and desirability of convergence between advocacy for telco and Internet issues, noting his interest as a Board member of TUANZ.

Judy noted that the steering committee thought that convergence was a good idea. Less discovery work was done than Westlake proposed. Westlake was engaged because it was felt a solid process was required. TUANZ Board is also keen. Judy asked what others felt.

Donald asked about Auckland members' feedback at the members' consultation meeting in February – Judy noted they were not very vocal.

Frank: understand convergence. Westlake Report is an utter absurdity: no real analysis of advantages or disadvantages, and sets a ludicrous timetable. In his view it took no account of the need to consult with members who are both organisations' most important stakeholders. Regards it as a bad joke, and would vote against receiving it. He does not feel that it takes forward the debate in a useful way.

Judy noted that the timetable did allow for consultation. In response, Frank amended his view that the report did not take sufficient account of need for members' input.

Chris: the aim seemed to be to persuade members that this was a good merger to go for, not whether it was a decision for members. Would also vote against receiving the report.

Jamie: members will decide which or both organisations they want to join, it should be their decision.

Hamish: "From the team that brought you the Structural Review". Not as convinced about the convergence of telephony and IP. Telcos which become ISPs are not strong. Should InternetNZ take a proactive stance in rescuing

TUANZ, or let nature take its course? Members can always choose to join another organisation. The idea of a merger – can't see the cultural alignment, and given other restructuring issues, it is not the right time to introduce a potentially disruptive joining of hands.

Donald: the Internet is a business model and a philosophy not a technology. While technology convergence is a possibility, there are large divergences between telco and Internet on business models and philosophies. He notes that a process of engagement with members that started with an idea on the table, with later evaluation, would have been preferred. While a recommendation could be made, he would look for a more open and member-led process on this question of "who we are".

Pete noted common themes of membership leadership in the discussion, and open discussions.

Chris noted that charitable status was granted based on our objectives. If InternetNZ pursues a merger with TUANZ, the new organisation would once again need to go through the whole process.

Judy noted no discussion at the Auckland members' meeting on the issue.

Neil: Agree with Frank's comments about the report. He was on the TUANZ executive when many members of it saw their first email. TUANZ has made much progress, but he notes the ongoing philosophy difference that Donald mentioned. On many issues, Ernie is the first spokesperson even on issues of direct interest to InternetNZ- this is an issue to consider further. Maybe the path forward is a closer working relationship between the two organisations, rather than a rush to a merger. It will work itself out in time, as the subset of communications (voice and telecoms) get subsumed into the Internet in the fullness of time.

Liz: it is one of the most bizarre reports she has ever read, and left her wondering if she had missed six months of meetings. Wouldn't mind that feedback going back to the consultants – this report was not their best effort. Discussions this morning indicate a need for the Council to focus on supporting the staff, and refocusing on our objects and responsibilities to membership. It's the wrong time to talk about a merger, and would be unfair to engage with TUANZ on this until InternetNZ is in a stronger position to do so. It's an ongoing discussion: TUANZ members could join InternetNZ. Any discussion needs to be serious.

Jonny: The report was mighty odd, and was trying to work out had he missed something. He expected a report back that would raise issues to consider, discovering what the organisations did. A crate of beer + whiteboard could have done a similar job. It leaned far too heavily to a particular outcome. Agrees with the other comments that have been made: culture is a big thing.

Pete noted good comments around the table. The view is that there is an issue of timing. His personal view is that convergence is indeed inevitable, and we should work together better, but on the other hand right now the Council needs to focus on our internal operations and staff to ensure our core functions are working well. When InternetNZ is comfortable with its own situation, it will be the time to talk. He also noted the possibility of some operational

convergence occurring, but the SSU Manager noted that it is on hold until decisions are made about any merger.

There was a brief move into closed committee.

Donald notes the word “alignment” causes problems, as it presupposes an outcome. If TUANZ wants to purchase services from InternetNZ it can do so, through the SSU. Alignment is a different thing. Happy to offer support for operational services to help TUANZ.

SSU Manager noted that if there is no convergence on the table, she is fairly confident that the SSU will not likely be providing TUANZ with any services.

Frank noted that at the governance level, there are three present or ex-TUANZ Board members on the InternetNZ Council. That is a very welcome development. While he is opposed to receiving the report, he does agree we are on converging lines and that nature will take its course. It must be membership driven, and not forced.

Donald asked if any position needs to be communicated?

Judy commented regarding the issue of break-neck pace, but at the February meeting of the Steering Group, members felt that the “edging hand-in-hand together” was possibly the best approach, and so had abandoned the earlier timetable which was by then unrealistic.

Chris asked whether the report is going to be made public. Judy notes the version of the report is 12 January and it has been superseded by later discussions.

Pete thinks in summary Council is not in favour of moving forward quickly, but that there is a desire to keep talking at governance level. There is a need to engage with members quickly if any decisions are sought from them.

Chris repeated his question as to whether the report will be made public. Frank noted there is no decision for Council to take on this, as the Council has not received the report.

Chris notes one common problem for InternetNZ is that papers get referred to which are not published on the website. They should be able to be located. So he repeated his question again.

Michael Foley noted the report could be received, but not published. Donald noted the discussion about InternetNZ’s view is nothing to do with the report.

There was a discussion about procedure.

RN 04/09: That Council note the Westlake Project Discovery Report and publish a version that excludes confidential information.

(Donald Clark/Hamish McEwan)

Carried

Against: Jamie Baddeley and Chris Streatfield

AP 07/09 SSU Manager to prepare amended TUANZ/InternetNZ relationship Report and arrange for publication.

The meeting broke for lunch at 1.05pm and resumed at 1.35pm.

11. Emergent Strategy

Simon introduced the discussion, and worked through the framework in brief. The key issue is Council embarking on taking a more strategic role, and deciding how to assign priorities.

He then showed a slide which showed the difference between dynamic and static strategy planning. It is a change of direction for the Council.

A further slide showed the proposed planning cycle. Key changes are all-boards meetings to do strategic-level planning instead of the current one. Assumption is that the proposed planning cycle works in with the financial year.

Stewart Fleming rejoined the meeting at 1.50pm.

He referred Council to the recommendations in the paper.

Simon was thanked for moving these proposals, but the Council decided to continue the discussion of these matters on the Council email list. No decisions were made.

Paul Swain arrived at 1.46pm.

12. Executive Board Report

The Council went into Committee at 1.56pm with Councillors and Paul Swain present. All staff were excluded. The in-Committee session ended and staff returned at 2.59pm.

Donald Clark left the meeting before the end of the in-committee period, at 2.56pm.

13. Audit Committee Report

Audit Committee members met with Kerry Price over lunch, and noted the Council's receipt of the Audit letter and other documents. The Audit will be conducted as usual, the Committee having found no additional matters of concern. The report will go to A&R before going to Council.

Michael asked for any questions on the Service Plan. There were none.

RN 05/09: That the audit engagement letter from Grant Thornton be received and that the President be authorised to sign the letter forthwith.

(Michael Foley / Hamish McEwan)

Carried U

14. Executive Board Report cont'd

Third Quarter Report to Council

Keith spoke briefly to the report asking for any questions.

Michael Foley noted the key decision that Paul noted was the “either-or” resolution on the Budget. Keith commented that at the time the EB started the Budget process, there was a need to create a minimal budget. As time has moved on and the finances have become clearer, the Board feels there is more space for a bigger budget along with the financial reserves being protected.

Chris noted that the aim of the process is not the financial reserve: if the reserve is at the level set, then that is not what we need. What was agreed at the last Council meeting was the same level of cash at the end of the financial year as at the start of the year. Jordan added some more detail about the Budget.

Chris asked whether any work was done in terms of relocating budget between business units; Keith said some was done. Jordan clarified whether Chris meant between business units, or between priorities – the answer was the former.

Keith also noted that ongoing work is expected on bank accounts, treasury policies, etc.

Chris noted Paul had raised an item being put on hold from the Budget – the item related to the project with Accelerating Auckland. Staff will remove this from the draft Budget.

There were some other discussions around the cashflow, the quantum of the Budget, and so on.

Jamie noted the cash comes close to the line, which Jordan acknowledged.

RN 06/09: That the Third Quarter report of the Executive Board be received.
(Michael Foley/Chris Streatfield)
Carried U

RN 07/09: That overall management responsibility for the Society’s finances be assigned to the SSU Manager.
(Michael Foley/Chris Streatfield)
Carried U

RN 08/09: That the financial report to 31 December 2008 be received.
(Michael Foley/Chris Streatfield)
Carried U

RN 09/09: That Council adopt the “FULL” 2009/10 Budget for the Executive Board as amended, and advise NZRS that its required Dividend for 2009/10 will be \$2,490,000.
(Michael Foley/Chris Streatfield)
Carried U

RN 10/09: That the Council note the ongoing work with cashflow, and agree that relevant Councillors will participate in that work on an as-required basis with relevant staff, Board members and contractors.

(Michael Foley/Chris Streatfield)

Carried U

RN 11/09: That the Council Financial Reserves Policy 2009/10 as set out in the paper be adopted.

(Michael Foley/Chris Streatfield)

Carried U

RN 12/09: That Council review the Financial Reserves Policy and adopt a revised Policy for the 2010/11 financial year no later than 20 March 2010.

(Michael Foley/Chris Streatfield)

Carried U

RN 13/09: That Council agree to refer external funding requests of under \$5,000 to the Executive Director's office for Board approval using the process set out in the paper.

(Michael Foley/Chris Streatfield)

Carried U

The meeting broke for afternoon tea at 3.24pm and resumed at 3.44pm.

President Pete Macaulay welcomed Anne Urlwin and Jay Daley (NZRS) and Richard Currey and Debbie Monahan (DNCL) to the meeting.

15. NZ Registry Services report

Anne introduced the new Chief Executive, Jay Daley, to the Council, and noted the Company's thanks to Nick Griffin for helping with the transition.

Third Quarter report and financial reports

Anne spoke to the report, which was for the third quarter to 31 December 2008. Anne asked if there were any questions on the initial report. Hamish noted the low registrations in December. Frank asked what the current rate was - Jay replied that it is looking likely to meet the revised target of 2000 net growth in registrations on average over the year.

Jay does not know of any movement on this but does not expect it to be successful unless a significant behind-the-scenes campaign is conducted to build support for it. IETF is meeting next week and no such campaign is planned.

Chris noted two minor points, the latter being a query: is there an update on the RFC application for the SRS. Jay does not know of any movement on this, and it's not really an application - more a friend-building exercise. IETF is meeting next week and without any campaign, it may not get very far. EPP issue is also around - it is a more widely used and better developed standard.

Anne introduced the addition to the Third Quarter report, highlighting some recent changes in the situation the company places, with budget revisions and other items as set out in the report. None of the strategic goals or key performance indicators changed, so they were not submitted again. They also show an estimate for the end of year tax payment that will be required, with more work going on.

Frank noted the need for a small review of the company's finances as set out on page five of the supplementary report. Frank asked why DNCL is not involved; Anne noted that it is a shareholder/company issue, and decisions might have an impact on the fee setting process. Frank stated his view that DNCL feel they should be involved. Anne noted there would need to be extensive consultation including with DNCL. It's a more shareholder-focused issue so that is why not part of the review team.

Jonny Martin rejoined the meeting at 4.01pm.

RN 14/09: That Council receive the NZRS Third Quarter company report.
(Chris Streatfield/Hamish McEwan)
Carried U

RN 15/09: That Council receive the addition to the Company's 3rd quarter report.
(Chris Streatfield/Hamish McEwan)
Carried U

16. .nz Fee Setting Recommendation

Richard and Debbie joined the table.

The Council went into Committee at 4.02pm and recording ended. The in-Committee session ended at 4.23pm.

RN 16/09: That recommendations A and B be adopted.
(Frank March/Chris Streatfield)
Carried U

(Recommendations A and B are the following resolutions, which cannot be published until communicated to registrars through the usual channels.)

RN 17/09: That the .nz domain name fee remain at \$1.50 per domain name, per month.
(Frank March/Hamish McEwan)
Carried U

RN 18/09: That there not be any formal communication strategy other than the normal channels to advise registrars and the Internet community of the fee remaining at its current level.
(Chris Streatfield/Frank March)
Carried U

17. NZRS Report continued

Council asked that the DNCL be included in the Review team for the review of NZRS's capital structure. NZRS agreed to this.

Anne asked Council to decide who they would like to appoint to the Review team. Chris Streatfield is the Council's nominee.

Pete thanked Anne and Jay for their presentation at the meeting.

18. Domain Name Commission Ltd Report

Pete welcomed Richard to the floor. Richard presented the Third Quarter report and asked for any questions or comments. Chris complemented the travel report from Alison regarding ICANN Cairo.

Jamie asked about .bank.nz – Debbie responded that they are on the testing system now.

Richard presented the additional component about the "Awareness of .nz" Campaign which the DNCL is preparing. This reviews the Company's logo, and develops the branding for an awareness-raising campaign for the .nz domain name system across the Internet community.

Richard and Debbie briefed the Council on the elements of the campaign, which members of the Council responded positively to. There were a range of questions and comments about a range of issues.

RN 19/09: That the report of DNCL for the third quarter be received.
(Chris Streatfield/Frank March)
Carried U

Liz suggested a media campaign around an auction for the right to register the first .bank.nz domain name. Richard thanked Liz for the idea said they would look into it.

19. General Business

NZNOG Trust deed

RN 20/09: THAT Council resolves that the Society common seal be affixed to the NZNOG Trust Deed.

(President/Jamie Baddeley)

Carried

Abstain: Jonny Martin

Council noted that the Seal was being applied to the Deed with the advice of Gavin Adlam.

Membership update

Susi provided Council with a list of the new and renewing members of the Society for Council approval. There are now 191 members.

RN 21/09: THAT Council approve the new Members of InternetNZ.
(Chris Streatfield/Jamie Baddeley)
Carried U

Accommodation options

Susi Fookes summarised the content of the report and the preferred options of the various managers. The costs in the report are only the costs to InternetNZ of moving premises.

Frank noted his concerns at the divided recommendations of the Managers. He would prefer to see consensus generated by the Managers and a new recommendation brought forward.

Council went into committee at 4.52pm to discuss further issues relating to the report. It came out of committee at 4.56pm.

RN 22/09: That this matter be referred back to the General Managers for re-consideration, requesting a consensus recommendation, noting that fiscal responsibility is a priority.
(Frank March/Chris Streatfield)
Carried U

The Council also noted for communication to the Managers that Council's current strong preference would be Option 1A.

Pete closed the meeting with thanks to all Councillors for their input in a very important meeting.

Michael noted that TUANZ and the Audit and Risk Committee reports both do need to be closed off.

AP 08/09: SSU Manager to add TUANZ and the Audit and Risk Committee Reports to the next Council agenda, or have them ratified via evote.

Next Meeting: Friday 19 June 2009

Meeting Closed: 4.58pm.

Signed as a true and correct record:

.....
Peter Macaulay, President, CHAIR

InternetNZ President's Report

Author: Pete Macaulay

Status of Paper: Final

InternetNZ's is close to meeting one of its major goals. In 2008 we finally saw both major political parties commit to spending a significant amount on network infrastructure. While the Broadband Investment Initiative won't connect every home in the short term, it confirms that government accepts that connected NZ is a vital part of our future.

In spite of the good news, InternetNZ must be vigilant to ensure that neither financial woes nor political expediency shrink the government and commercial investment pots. Our advice and guidance will support the evolving models for connected NZ. We need to continue to monitor the progress of Telecom's new structure, to praise them when they do well, and to recommend changes when needed, as they will be. That said, we have cause to reflect on our efforts with some satisfaction.

The next challenge InternetNZ has accepted and is about to tackle, is to define and provide support for the beneficial changes to our New Zealand communities that will be driven by ubiquitous connectivity. As everyone, who wants to be, becomes connected and no one is concerned about how they are connected, we will see many shifts in society.

InternetNZ is probably the only organisation that is positioned and able to track these shifts while providing advice to adopt as many of the goods bits as makes sense, yet keep the bad bits under control. There is at least one sticky issue. About 8-10% of the population will not connect. One of our roles will be to develop means to ensure that neo-luddites and others that choose not to connect are not disadvantaged in a digital society.

As connection becomes intrinsic, we will change the way our advocacy works. InternetNZ should engage directly with new organisations, regional service providers and the many ventures that will spring up as the new models of business settle in.

These evolving roles will require InternetNZ to adapt and we will see new skills being brought on board to deliver the changes. Members and Council have a significant role to play to provide governance through this evolution.

My term as President of InternetNZ concludes at this year's AGM. I will not be standing for re-election as President. It has been a privilege to lead InternetNZ for the last two years and I intend to continue my involvement, depending on members' votes! When I was asked to stand as President, I accepted the nomination with the view was that it was a transitional presidency while the Westlake report recommended and member approved structural review was implemented. My main concern was that the Presidential workload during the transition would be very high. It was. However I also expected the term was going to be one year, but the members voted for two. That's life.

The structural review will itself be reviewed, and I know that most of its provisions which have been implemented have been beneficial, and put the organisation in a strong position for ongoing success.

There is one exception. The model for the Executive Board has not worked as planned. It became clear that several practical issues made the structure unworkable. Council considered the issues in depth, and requested changes. As a result of these requests, the executive board chose to stand down, and Council appointed Richard Currey as acting CEO. Staff have been kept informed and have confidence in Council's actions. Once the interim structure has settled, it will be time to consider a structure that reflects the nature of InternetNZ, learns from our experiences, and will continue to deliver the outcomes our members expect while evolving to fit our new role.

I continue to be impressed by the quality of work, great attitude and dedication of the staff across InternetNZ. We have a wonderful team, and they have provided strong and positive support for me as President. Thank you all and I hope you will continue to stick with InternetNZ while developing your skills to meet the new challenges.

One other goal I have is for InternetNZ to become less dependant on .nz as the funder of the organisation. This means developing other sources of revenue by using the skills, infrastructure, and trustworthiness that is part of our current operation. Opportunities exist in providing registry services not just to domain name providers, but to any organisation that needs to manage a secure registry for items of value. There are many other opportunities which we need to measure properly so as to make good decisions on which to pursue. We have started the process and have a committee established for business development. My goal is for at least one third of InternetNZ's revenue to come from non traditional sources in 2012.

Most of the targets I set to tackle as President are either complete or very close, and I feel comfortable in handing over and providing support to my successor. InternetNZ is a remarkable and unique organisation, with unusual characteristics and a distinct culture. Its ongoing success is due to the members, Councilors and staff who contribute to the work and culture. I hope to be part of this for as long as it is needed, and I can contribute.

Vice President's Report to June Council Meeting

Author: Frank March

Status of Paper: Final

Purpose of Paper: To provide information on the VP's attendance at the May Multistakeholder Advisory Group meeting in Geneva.

Report of Attendance at Multistakeholder Advisory Group Meeting

Geneva, 13 to 15 May 2009

I attended the second meeting in 2009 of the Multistakeholder Advisory Group (MAG) in Geneva as a New Zealand government official, supported by DNCL. This report is provided for the information of Council.

The MAG provides advice to the Secretariat of the Internet Governance Forum (IGF) (in theory to the United Nations Secretary General) on matters relating to the format and programme of the IGF. The UN has approved five meetings of the IGF, one per year to 2010) and the MAG usually meets three times leading up to each IGF meeting.

The MAG itself now consists of some 50 members drawn from governments, civil society and industry plus a group of six specialist advisors to the Secretariat. Membership is by invitation and is drawn from each of the five UN regions. Until this year, an official from the Australian government attended MAG meetings. I was invited to replace him on his retirement.

MAG meetings themselves strictly adhere to Chatham House rules with the only output being a report on meetings prepared by the Secretariat (which is attached). Meetings are preceded by a one day open consultation which is webcast. A transcript of the open consultation is available

Background to the IGF and current issues

The IGF was established as an outcome of the Tunis World Summit on the Information Society (WSIS II) in order to discuss and make recommendations on matters relating to Internet Governance which were not clearly the responsibility of an existing international organisation. In practice, IGF meetings, while to some extent filling this mandate, has also tended to carry on the arguments which emerged during the WSIS process over management of Internet resources such as the DNS and IP numbering system (in other words, ICANN and its works) and especially US 'control' over these resources.

The 2009 meeting will be in Sharm El Sheikh (Egypt) in 15-18 November. One of the major issues will be the future of the IGF: whether its mandate should be extended beyond the initial five years which end in 2010. There are three points of view on this:

- The first is that the IGF is a talk shop with little purpose other than to act as a release valve for the governance issues which remained unresolved after the WSIS process. As such, it is largely a waste of time and should be dropped after 2010.
- An alternative view, held by perhaps the majority of attendees at the open consultation, is that the IGF has made considerable contributions to understanding of Internet governance issues and

worthwhile recommendations have emerged which have been taken up in other forums, and its mandate should be extended for another five years.

- The third view is that the IGF is a waste of time because it has no teeth and, taking Paragraph 69 of the WSIS Tunis Agenda at face value, argues for a different type of organisation to take over from 2011 onwards.

Paragraph 69 of the Tunis Agenda reads:

We further recognize the need for enhanced cooperation in the future, to enable governments, on an equal footing, to carry out their roles and responsibilities, in international public policy issues pertaining to the Internet, but not in the day-to-day technical and operational matters, that do not impact on international public policy issues.

Responsibility for establishing the mechanism for “enhanced cooperation” is placed in the hands of the Secretary General of the UN (article 71). There has been continuing debate as to whether or not the IGF meets this directive. Alternatives would include the ITU, another UN body, whether existing or to be established, or (perhaps) the GAC.

Adherents to the third view were represented at the May open consultation by China which was the only contributor to take this view. I was surprised at this as I believe a number of governments have expressed this view at other times.

The representative of China was also the only participant in the open consultation to request that the ICANN/NTIA Joint Partnership Agreement be on the IGF agenda, along with the IANA contract. Others argued that the JPA was not relevant (its fate would be decided prior to the IGF meeting, at the end of September). It is noteworthy that for the first time the IANA contract is recognised as an issue. Despite it being clearly identified as the main continuing source of US ‘control’ in the WGIG report in 2005, its existence hitherto has been pretty much ignored.

A third meeting of the MAG as scheduled for September, however, it is judged that sufficient progress was made at the May meeting for the September meeting to be cancelled. Instead, a meeting of session organisers will take place. It is unlikely that there will be a need for me to attend this meeting.

INTERNET GOVERNANCE FORUM

Multistakeholder Advisory Group Meeting

Geneva, 14-15 May 2009, Summary Report

1. The Multistakeholder Advisory Group (MAG) met in Geneva on 14-15 May 2009. The discussion was based on the agenda for the Open Consultations held on the preceding days and focused on the preparation of the Sharm El Sheikh meeting.

2. The MAG proposed “Internet governance – creating opportunities for all” as the overall title and agreed on the wording of an agenda to be proposed for the 2009 meeting. The proposed agenda is as follows:

- Managing critical Internet resources
- Security, openness and privacy
- Access and diversity
- Internet governance in the light of WSIS principles
- Emerging issues
- Taking stock and the way forward – on the desirability of the continuation of the Forum.

3. On the first morning, there will be a ‘setting the scene’ session, giving participants background on Internet governance in general and the IGF in particular. It will explain the functioning of the IGF and the issues it has been dealing with. The session will also give an overview of the programme. It will be followed

by a session bringing in different regional perspectives, as they emerged from various regional meetings. Remote hubs will be given the opportunity to interact with the meeting.

4. The traditional opening ceremony/opening session will be held in the afternoon of the first day. It will be followed by a key note panel of two or three high-level personalities. The theme will be defined in light of the composition of the panel. The economic downturn or sustainable development and climate change were mentioned as possible themes for this session.

5. Managing Critical Internet Resources: This session will be held in the form of an open discussion in order to promote greater participation by all stakeholders to inform and provide a wide variety of perspectives. It will be managed by the Chair and moderators with resource persons on call in the audience. No relevant issue, however contentious, will be excluded from the discussions under this heading. The following issues were mentioned, among others, to be addressed under this heading: IP address allocation in general and IPv6 allocation in particular; the JPA, the IANA contract and the role of governments; the internationalization of critical Internet resources management; the importance of new TLDs and IDNs for development; enhanced cooperation.

6. Security, Openness and Privacy: The discussion of this cluster of issues will be introduced by a compact panel of practitioners to set the stage for the discussion and bring out options for how to deal with the policy and practical choices. The discussion should cover practical aspects of the coordination needed to secure the network (e.g. to fight spam.) Issues to be discussed will include the respect for privacy as a business advantage and issues such as identity theft, identity fraud, and information leakage. Another cluster included Web 2.0, social networks, cloud computing and privacy, e.g. control of one's own data and data retention. Other issues mentioned were cultural and technical perspectives on the regulation of illegal Web contents; regulatory models for privacy and cyber security. Some issues pertaining to openness were also discussed, including ensuring the open architecture of the Internet; Net Neutrality; enabling frameworks for freedom; ethical dimensions of the Internet.

7. Access and Diversity: This session will draw in the outcomes of workshops, which could compare and contrast approaches and best practices. Issues mentioned for this session included national and international regulatory issues; national and regional backbones; infrastructure; interconnection costs, IXPs; modes of access and regulatory challenges; safety and redundancy of access, e.g. cable cuts; and issues in mobile access as well as multilingualism, IDNs and access for people with disabilities.

8. Internet governance in the light of WSIS Principles: This Session builds on the WSIS Principles, as contained in the Geneva Declaration of Principles and the Tunis Agenda for the Information Society. While some held the view that Paragraph 29 ("The international management of the Internet should be multilateral, transparent and democratic, with the full involvement of governments, the private sector, civil society and international organizations") was particularly relevant for this session, others emphasized the importance of Paragraph 31 ("We recognize that Internet governance, carried out according to the Geneva principles, is an essential element for a people-centered, inclusive, development-oriented and non-discriminatory Information Society"). The Session will be based on Paragraph 72 i) of the Tunis Agenda which mandates the IGF to "promote and assess, on an ongoing basis, the embodiment of WSIS principles in Internet governance processes". This session will be held in the form of an open discussion.

9. The morning of the last day will be reserved for the "formal consultations with Forum participants" on the "desirability of the continuation of the Forum" as stipulated by Para 76 of the Tunis Agenda. These consultations will be prepared by an online process, starting with a questionnaire prepared by the Secretariat and a rolling document synthesizing all commentaries received and posted on the IGF Web site. All contributions received by 15 July will be reflected in a synthesis paper that will be translated in all six UN languages as a direct input into the discussion of this agenda item. (Submissions received after that deadline will be posted on the IGF Web site on a continuous basis; however, they will not be reflected in the synthesis paper.)

10. Emerging issues: As in previous years, the last substantive session will be devoted to emerging issues. It should be a forward looking session with a focus on policy instead of technology. The impact of social networks was chosen as the theme for this session. This was also seen as a way to attract young people and bring them into the discussion, including through remote participation.

11. The MAG discussed holding round tables for issues where there is a convergence of views on the principles and the need for action. However, it was felt that this format would need further discussion and that it would be premature to introduce round tables at this stage. Instead, these slots would be given to merged workshops, provided they were sufficiently representative in terms of regional and stakeholder balance.

12. Other events:

(a) Workshops: Workshop proponents will be asked to consider merging with other, similar workshops or to flesh out their proposal.

(b) Merged workshops will be given the opportunity to bring their findings to the attention of the related main session. If sufficiently representative, merged workshops will be given three hour slots with the aim to identify best practices.

(c) Best practice Forums and Open Forums: A call for proposals for these events will be issued by the Secretariat.

13. A revised version of the draft programme paper, taking into account the discussions at the MAG meeting and at the open consultations, will be made available in due course. Stakeholder will be invited to send their comments on the paper.

14. The following deadlines were set:

15 June: submission of proposals for other events;

30 June: submission of speakers lists for workshops, open forums and best practice forums;

15 July: submission of comments on the “desirability of the continuation of the Forum”.

15. In light of the good progress made in defining the agenda and programme of the Sharm El Sheikh meeting the MAG decided that there was no need for holding open consultations and another MAG meeting in September. Instead, a meeting to discuss operational matters, which is open to all interested stakeholders and convened by the Secretariat, will be held instead. The meeting will take place on 16-17 September 2009 in Geneva¹.

16. The proposed schedule is shown below:

	Sunday 15 Nov	Monday 16 Nov	Tuesday 17 Nov	Wednesday 18 Nov
10:00 – 11:30	Internet governance – setting the scene	Managing Critical Internet Resources	Access and Diversity	Taking Stock and Looking forward – on the desirability of the continuation of the Forum
11:30 - 13:00	Regional Perspectives			
13:00 - 14:00	Lunch			
15:00 - 16:30	Opening Ceremony/session	Security, Openness and Privacy	Internet Governance in the light of WSIS Principles	Emerging Issues
16:30 - 18:00	Keynote panel			Closing Ceremony

¹ The meeting will be held at the European Broadcasting Union, as originally planned for the open consultations and the MAG meeting.

EVOTE RATIFICATION

Author: Susi Fookes, Returning Officer

There have been five e-votes conducted since the last Council Meeting:

Evote:		For:	Abstain:
0904241	Cr Foley/President: THAT Council approves Internet NZ supporting the proposed IPv6 Hui provided written agreement is obtained from other sponsors committing funding support totalling \$60,000.	Michael Wallmannsberger Michael Foley Donald Clark Stu Fleming Judith Speight Liz Butterfield Chris Streatfield Pete Macaulay Frank March Jonny Martin Hamish MacEwan Neil James	Jamie Baddeley
0904242	Cr Foley/President: THAT On the basis of (1) Council approves Internet NZ funding support of \$20,000 with contingency of a further \$10,000 not to be accessed without approval of IMC.	Michael Wallmannsberger Michael Foley Donald Clark Stu Fleming Judith Speight Liz Butterfield Chris Streatfield Pete Macaulay Frank March Jonny Martin Hamish MacEwan Neil James	Jamie Baddeley
090429	Cr Foley/President: THAT Council approve \$8,000 cash sponsorship for the ICANN Sydney meeting, from the special projects fund.	Michael Wallmannsberger Pete Macaulay Liz Butterfield Michael Foley Judith Speight Jamie Baddeley Frank March Neil James Stu Fleming Chris Streatfield Donald Clark Jonny Martin Hamish MacEwan	

090528	<p>Cr Foley/Cr Butterfield: THAT Council approves expenditure of \$12,500 from the Special Projects Fund for sponsorship of the 2020 Communications Trust projects of e-day and research of ICT in NZ Schools.</p>	<p>Michael Foley Liz Butterfield Donald Clark Neil James Hamish MacEwan Pete Macaulay Judy Speight Frank March Chris Streatfield Stu Fleming Jonny Martin Jamie Baddeley Michael Wallmannsberger</p>
090529	<p>President/Vice President: THAT Council sets the InternetNZ 2009 Annual General Meeting for Thursday 30 July 09.</p>	<p>Pete Macaulay Michael Foley Frank March Hamish MacEwan Jonny Martin Liz Butterfield Judy Speight Michael Wallmannsberger Jamie Baddeley Chris Streatfield Stu Fleming Neil James Donald Clark</p>

Recommendation: THAT the e-votes be ratified.

Executive Director's Monthly Report to InternetNZ Executive Board
31 March 2009 Workstream Updates and 28 February 2009 Financial Reports

Author: Keith Davidson / Jordan Carter

Status of Paper: Staff Final

Index:

ITEM	Page
Summary of Recommendations	2
Standard Reporting Items (for information):	
Financial Results to 28 February 2009: Commentary	3
Activity / Workstream Reports for March 2009	4 - 9
Structural Reform and Transition	10
Staffing Report	10
International Commitments	10
Current Issues (for information)	
Technical Issues	10
International Issues	10
NZNOG Trust	11
Current Issues (for decision)	
Forecast Financial Result to 31 March 2009	<3 pages>
Financial Results to 28 February 2009	<6 pages>
PAPERS	
ED APTLD Manila Report	<5 pages>
ED ICANN Mexico Report	<7 pages>
IPv6 Steering Group meeting minutes	<3 pages>

Summary of Recommendations:

Standard Reporting Items:

1. *That the Executive Director's Report be **received**.*
2. *That the March 2009 Activity / Workstream reports be **received***
3. *That the February 2009 financial reports and the forecast to 31 March 2009 be **received***

Keith Davidson
Executive Director

Standard Reporting Items

Financial results for February 2009


The ED's office accounts disclose a deficit for the month of February of \$64,627, which was \$115,275 below the budgeted deficit of \$179,902 for the month. This brings the total adjusted (after accounting separation at 30 September) deficit for the 11 months to 28 February 2009 to \$477,256, compared to an adjusted budgeted deficit of \$1,308,053.


Expenses continue to generally track well below budget as the expenditure "freeze" required by the Executive Board in December continues for the remainder of the financial year.


The projected year end position at 31 March 2009 is for an overall deficit of \$614,509, compared to an adjusted budget for the year of \$1,476,950.


ACTIVITY / WORKSTREAM PROJECT REPORTS TO: 31 March 2009


STRATEGY 2 PROJECTS - PUBLIC POLICY


Activity: Broadband / Fibre Campaign - internetnz.net.nz/projects/bband/		
Status:		The purpose of this project is to fund activities relating to widespread fibre rollout. In March, an NZCID function was held to introduce the Network Strategies report to an infrastructure investor audience.
Strategy:	Pub Pol	
Priority:	High	
Staff Support:	Jordan	


Activity: Copyright Project - internetnz.net.nz/projects/copyright		
Status:		InternetNZ has been attempting since the Copyright Amendment Act was passed to work in good faith with rights holders, ISPs and the government to try to solve the problems the legislation has created. In March, s92a was put on permanent hold pending a re-write of the law by parliament. The TCF code was also put on hold and InternetNZ lodged a submission on the TCF's code. Staff also attended a meeting organised by Labour on s92a and broader copyright issues.
Strategy:	Pub Pol	
Priority:	High	
Staff Support:	Jordan	

Activity: Cyberlaw Fellowship - internetnz.net.nz/projects/cyberlaw/		
Status:		The Cyberlaw Fellowship is a Research Fellow at the VUW Law School, part funded by InternetNZ. The project is entering its fourth year. In March, the forth Cyberlaw Fellow was appointed.
Strategy:	Pub Pol	
Priority:	High	
Staff Support:	Campbell	


Activity: NetSafe Strategic Partnership - internetnz.net.nz/projects/netsafestratpartnership		
Status:		Supporting the world-leading research, education and advocacy work of NetSafe on a long term, committed basis. This is a funding and thought leadership partnership. In March, staff attended the NetSafe monthly meeting, dealing with a range of health issues affected by online matters.
Strategy:	Pub Pol	
Priority:	High	
Staff Support:	Jordan	


Activity: Parliamentary Internet Caucus - internetnz.net.nz/projects/parlcaucus/		
Status:		The Parliamentary Internet Caucus brings together Members of Parliament to learn about technology issues. No activities were undertaken in March.
Strategy:	Pub Pol	
Priority:	High	
Staff Support:	Richard W	


Activity: Regulatory Issues & Submissions - internetnz.net.nz/projects/regulatoryissuesandsubmissions		
Status:		A fund to allow effective responses to Parliamentary, Government and Regulator calls for submissions.
Updated:	Pub Pol	In March, staff continued work on the IP Interconnection paper.
Priority:	High	
Staff Support:	Jordan	


Activity: Secretariat – ISPANZ - internetnz.net.nz/projects/secretariatispnz/		
Status:		InternetNZ acts as secretariat for the ISP Association of New Zealand (ISPANZ).
Strategy:	Pub Pol	In March, staff undertook business-as-usual Secretariat duties for ISPANZ.
Priority:	High	
Staff Support:	Richard W	


Activity: Telecommunications Reform - internetnz.net.nz/projects/telcoreform/		
Status:		The purpose of this project is to keep tabs on the development of New Zealand's telecommunications and Internet industries, and resource InternetNZ's engagement in policy and regulatory debates.
Strategy:	Pub Pol	In March, staff kept a watching brief on developments and prepared a plan for the coming year.
Priority:	High	
Staff Support:	Jordan	

Activity: Internet Patents - ipwatch.internetnz.nz		
Status:		InternetNZ pays IP law firm Baldwins to keep an eye open for any patents which may affect Internet users:
Strategy:	Pub Pol	In March, staff undertook business-as-usual monitoring of the IPWATCH database.
Priority:	Medium	
Staff Support:	Campbell	

Activity: Digital Communities - internetnz.net.nz/projects/digcomms/		
Status:		InternetNZ is engaged in ongoing discussions with Local Government New Zealand (LGNZ) and other stakeholders.
Strategy:	Pub Pol	The project is on hold but may reemerge as a priority for InternetNZ. Note: The Government has removed the DDC and Broadband Investment Fund, and LGNZ and InternetNZ may wish to continue collaboration.
Priority:	Medium	
Staff Support:	Simon Riley	


Activity: Pacific Internet Partnership - internetnz.net.nz/projects/pip/		
Status:		The Pacific Internet Partnership (PIP) is a consortium of independent organizations who have joined together to share their passion and resources to improve the technical IT skills in the Pacific Island Countries.
Strategy:	Pub Pol	No activities were undertaken in March.
Priority:	Medium	
Staff Support:	Keith	

Activity: Community FTTH Toolkit - internetnz.net.nz/projects/communityftth		
Status:		This project has not been defined and is on hold.
Strategy:	Pub Pol	
Priority:	Low	
Staff Support:	Jordan	


Activity: Consumer Computer Security Education - internetnz.net.nz/projects/computereducation/		
Status:		This project has not been defined and is on hold.
Strategy:	Pub Pol	
Priority:	Low	
Staff Support:	Richard W	


Activity: International Speakers - internetnz.net.nz/projects/intspeakers/		
Status:		Informal discussions have indicated the opportunity to make use of appropriate speakers when in the Pacific. Guests are to be invited to New Zealand with events fitted around their visits.
Strategy:	Pub Pol	
Priority:	Low	No activities were undertaken in March.
Staff Support:	Keith	


Activity: NetSafe Pacific - internetnz.net.nz/projects/netsafepacific		
Status:		Possible joint venture with Global Knowledge Partnership (GKP), NetSafe NZ, InternetNZ and other partners to establish the start of a NetSafe Pasifika programme, in Samoa.
Strategy:	Pub Pol	
Priority:	Low	No activities were undertaken in March. Project on hold.
Staff Support:	Keith	


Activity: ENUM - internetnz.net.nz/projects/enum/		
Status:		Following a discussion with the TCF Board on 8 December 2006 it was agreed that the ENUM project would be 'suspended' until 30 November 2008, due to pressures from other regulatory activities.
Strategy:	Pub Pol	
Priority:	Low	No activities were undertaken in March.
Staff Support:	Campbell	

STRATEGY 3 PROJECTS – TECHNICAL POLICY


Activity: IPv6 - internetnz.net.nz/projects/ipv6/		
Status:		The IPv6 project “champions” the NZ conversion to IPv6 within the industry, including telcos, ISP’s, corporates, and home users.
Strategy:	Tech Pol	In March, the IPv6 Admin Committee met and a draft communications plan was constructed. A meeting to plan the IPv6 Hui was also held and the IPv6 website was further developed, including deploying a Wiki documenting best practice for IPv6 deployment.
Priority:	High	
Staff Support:	Richard W	


Activity: NZCERT - internetnz.net.nz/projects/nzcert/		
Status:		Investigating the establishment of a New Zealand Computer Emergency Response Team (NZCERT), to provide computer incident prevention, response and mitigation strategies for members, a national alerting service and an incident reporting scheme.
Strategy:	Tech Pol	
Priority:	High	The Government, through GCSB, has agreed to establish an NZCERT. Issues remain on what form it will take, how quickly it will be established and how it will be funded.
Staff Support:	Campbell	
No activities were undertaken in March but the Government’s intentions were made public in a Computerworld article: http://tiny.cc/TzHO9 .		


Activity: World Internet Project - internetnz.net.nz/projects/wip/		
Status:		The World Internet Project is an international research project that aims to track the trends of the Internet over a number of years assessing its impact around the world by each country surveying both users and non-users of the Internet. AUT are conducting the research in New Zealand.
Strategy:	Tech Pol	
Priority:	High	In March, staff began a review of WIP outputs, developing a paper noting items of interest arising from the international comparisons.
Staff Support:	Keith	


Activity: Broadband Measurement - internetnz.net.nz/projects/bbandmsmt/		
Status:		InternetNZ has identified the need for a broadband measurement tool for New Zealand that grades a range of network/technical quality of service metrics such as jitter and packet loss.
Strategy:	Tech Pol	
Priority:	Medium	A detailed broadband measurement proposal has been received from MediaLab, and discussions relating to this document have been held with Consumer NZ.
Staff Support:	Campbell	
No activities were undertaken in March.		

Activity: Honeypot - internetnz.net.nz/projects/honeypot/		
Status:		A Victoria University project to undertake an environmental scan of the .nz domain name space to detect malicious web content using client honeypot technology created by them.
Strategy:	Tech Pol	
Priority:	Medium	Victoria University’s Honeypot research continued in March, with its Stage Three report finalised.
Staff Support:	Campbell	

Activity: Industry Best Practice Programme - internetnz.net.nz/projects/bestpractice/		
Status:		InternetNZ proposes establishing an Industry Best Practice Programme to develop technical standards that further the security and stability of the Internet in New Zealand. No activities were undertaken in March.
Strategy:	Tech Pol	
Priority:	Medium	
Staff Support:	Campbell	

Activity: NZNOG - internetnz.net.nz/projects/nznog/		
Status:		The NZNOG project relates to InternetNZ's support of the New Zealand Network Operator's Group; specifically, sponsoring its annual conference \$10,000 (Platinum Sponsor).
Strategy:	Tech Pol	
Priority:	Medium	In March, the NZNOG Trust was established, and is now operational. This project is now on-hold until NZNOG10 approaches.
Staff Support:	Keith	


Activity: Technical Capability Development Fund - internetnz.net.nz/projects/tcdf/		
Status:		The TCDF project is a Technical Policy Committee initiative to consolidate a range of technical funding mechanisms into a more manageable and accountable format. This was described more fully to Council at meeting held 4 March 2006.
Strategy:	Tech Pol	
Priority:	Medium	No activities were undertaken in March.
Staff Support:	Keith	


Activity: Internet Society (ISOC) - internetnz.net.nz/projects/isoc/		
Status:		Maintaining a relationship with the global Internet Society, and over time to develop this and bring their insights into InternetNZ's policy work. Budget is for membership only.
Priority:	Tech Pol	
Org:	Medium	In March, staff undertook business-as-usual monitoring of ISOC mailing lists.
Staff Support:	Keith	


Activity: APRICOT - internetnz.net.nz/projects/apricot/		
Status:		APRICOT (Asia Pacific Regional Internet Conference on Operating Technologies) is the biggest technical conference in the region. It provides new information and training opportunities on Internet technologies, aimed at a technical audience.
Strategy:	Tech Pol	
Priority:	Medium	No activities were undertaken in March. This project is on hold and will be reactivated closer to the February 2010 APRICOT conference.
Staff Support:	Keith	


Activity: Certificate Authority - internetnz.net.nz/projects/ca/		
Status:		The Technical Policy Committee has identified the initiative of the creation of a NZ based Certification Authority (CA).
Strategy:	Tech Pol	
Priority:	Low	Note: Liverton's strawman is sitting waiting to be actioned and the Tech-Pol Committee has said that CA is not a high priority at this time.
Staff Support:	Campbell	
No activities were undertaken in March.		


STRATEGY 4 PROJECTS - ORGANISATIONAL, SPECIAL PROJECTS AND CAPEX


Activity: APTLD Secretariat - internetnz.net.nz/projects/aptlldsecretariat		
Status:		Provision of administrative services and meeting support to the Asia Pacific Top Level Domain Association, in return for a nominal secretariat fee. Committed until 30/6/09. In March, ongoing financial reporting and administrative services were undertaken. Handover work with the new GM was begun as well as follow-ups on remaining unpaid 2009 invoices.
Strategy:	Org	
Priority:	High	
Staff Support:	Jordan	

Activity: General Communications - internetnz.net.nz/projects/generalcomms		
Status:		Internal and external communications activities on behalf of all parts of InternetNZ, targeted at public, media, industry stakeholders and INZ members. In March, business-as-usual communications activities were undertaken including releases relating to online fraud, copyright and Section 92A, and the structural refresh. A joint release was also undertaken with ISOC France supporting their stand on copyright issues.
Strategy:	Org	
Priority:	High	
Staff Support:	Richard & Campbell	

Activity: INZ / DNC Network Renovation - internetnz.net.nz/projects/inzdncnetworkrenovation		
Status:		After some years of gradual network maintenance and development for the INZ/ DNC networking equipment, there is an extreme need for upgrades. In March, IPv6 was brought online and ongoing service / maintenance activities were undertaken.
Strategy:	Org /Capex	
Priority:	High	
Staff Support:	Richard StC	

Activity: Website Redevelopment - internetnz.net.nz/projects/website/		
Status:		Prior to 2005, the InternetNZ website was created manually using static HTML. In 2005, a major transition was made to the use of the Plone/Zope combination for a Content Management System. This project describes the transition from the initial Plone/Zope site to one based on the newer 3.x version of Plone. No activities were undertaken in March. A project to create three 'sections' to the site is under investigation. Sections for Council-only have been developed and this functionality will be expanded if desired.
Strategy:	Org	
Priority:	High	
Staff Support:	Nick W	

Activity: Special Projects Fund - internetnz.net.nz/projects/specialprojects/		
Status:		This is a \$100,000 contestable fund, established for use for any special projects that are likely to arise during each year, but not specifically planned or known at the time of establishing the annual budget. No activities were undertaken in March.
Strategy:	Org	
Priority:	Medium	
Staff Support:	Keith	

Activity: ICT Industry Coordination – internetnz.net.nz/projects/ictindustrycoordination		
Status:		Facilitation of ICT industry coordination (examples -. ICT* group, Content Providers Association, TUANZ <-> INZ etc) to develop greater harmony and cooperation within the sector. In March, the NZNOG Trust Deed was signed and an application for charitable status and IRD number made. A bank account was established and cash transferred from the INZ balance sheet to the trust bank account. The NZNOG Trust is now a completed part of this Workstream.
Strategy:	Org	
Priority:	Low	
Staff Support:	Keith	

Structural Reform and Transition

The decision by the Executive Board to resign at 31 March has caused some considerable upheaval. Staff now looks forward to continuing a “business as usual” approach to the workstreams from 1 April. It is obvious a re-budgeting exercise will be required to reflect a number of changes that have come about through these changes, and other changes to our operating environment.

We await progress on a SLA from the SSU.

The ED staff have expressed a strong preference for changing premises when the lease on the current premises expires.

Staffing & Contractor Report

Simon Riley’s contract terminated on 16 March 2009. Richard St Clair will conclude his technical support contract at the end of April. The technical support role is transitioning to the SSU, and the SSUM has indicated she is looking after the replacement.

I approved up to \$4,200 for staff training for Jordan Carter to attend the “International School on Digital Transformation” from 19 to 24 July, in Portugal.

International Commitments

Significant international meetings arising in 2009 include:

PACNOG Pacific	14 - 20 Jun 2009	Andy Linton
ICANN Sydney	21 - 26 Jun 2009	ED or Rep
PICISOC New Guinea	Sep 2009	ED or Rep
ICANN Seoul	25 - 30 Oct 2009	ED or Rep
ECTA Europe	Nov 2009	DED
IGF Egypt	15 - 18 Nov 2009	ED or Rep

At this stage, the only committed travel plan is for the ED to attend ICANN Sydney.

CURRENT ISSUES

Technical Issues

The IPv6 Steering Group continues to progress and minutes of its executive teams meeting of 31 March is appended to this report

Both internetnz.net.nz and ipv6.org.nz were finally updated to allow resolution of IPv6 DNS lookups. With Richard St Clair leaving, work on conversion of our internal networks to IPv6 is stalled, but he usefully completed the transition to dual IPv4 / IPv6 connectivity for InternetNZ to the Internet.

International Issues

My travel reports for Manila (APTLD, APIA and APNIC) and Mexico (ICANN) are appended to this report. I was re-elected to the position of Vice Chair of APTLD at their AGM in late February.

Our time as the APTLD secretariat is drawing to a close, and advertising for a new secretariat will commence in April.

NZNOG Trust

As stated in my ICANN meeting report, I took advantage of the fact that Joe Abley and Andy Linton (as 2 of the 3 NZNOG Trustees) and Peter Macaulay (as InternetNZ President and “Settlor” of the Trust) were present in Mexico, and had them sign the Trust Deed.

The Trust was established and funds from the INZ balance sheet transferred to a new Trust bank account prior to our 31 March balance date.

BOARD PAPER – APRICOT Meetings - Manila 23 – 27 February 2009

Author: Keith Davidson

Status of Paper: Staff Final

Monday - APTLD Members Meeting

- APTLD chair Jonathan Shea from .hk was unable to attend the meeting due to the passing away of his father last week, and therefore as vice-chair I was the chairman for the meetings.
- Board met for breakfast on Monday 23rd to discuss the plans for the board for the 2 days of members meetings, the AGM and the board retreat.
- Meeting opened after the formal opening ceremony for the APRICOT meeting. Interesting that registration numbers and attendees for both APRICOT and APTLD meetings seemed consistent with past meetings.
- Total of 62 registered for meeting, from 18 ccTLDs and 15 other organisations
- Welcomed the new GM Ramesh Kumar Nadarajah to the APTLD.

Marketing Domain Names (Joel Disni - .ph)

.ph been very active in marketing their domain, on the basis that “local” regularly excludes the ccTLD, preferring a .com – and is part of the common issues with colonial attitudes in several Asian countries where local is seen as inferior to imported. A useful “shorter is better” advertising campaign appears quite useful and humorous.

e.g. www.see-how-i-had-to-mangle-my-domain-name-just-to-get-into.com

Also research shows the website designers also generally choose domain names for their clients, and some educational work on them, plus businesses, stressing the importance of branding and marketing as an inherent part of the domain name. What’s the value of their business and brand names, compared to the cost of a domain name? Useful in the style of the National | Labour billboards e.g. taken.com | available.ph

Cybersecurity Threats (Ram Mohan - Afilias)

Info on DDoS, Cache poisoning (Kaminsky), Fast fluxing, and Phishing. Fairly commercial, if you use Afilias as your registry backend we will save you from all this badness, presentation. Also somewhat worrying that a theme appears to be an anti-IDN message, as IDN strings replicating ASCII strings could be used for phishing.

Growth of domain names flattening, now about 180 million, and around 15% growth over last year. ccTLDs are around 40% of total market, and continues more strongly than gTLDs. RegistrySafety.org and dns-oarc.org have mailing lists for working group participations.

Who We Are (Don Hollander – APTLD)

- ccTLDs range staffwise from 1.5 to 67 FTE's, average is 13.
- Growth in domain names avged 13% last year, maximum was 27%.
- Nearly all ccTLDs have a domain name dispute resolution process
- 1/3rd offering IDN's currently
- Majority don't have any formal ICANN relationship
- IPv6 is available on DNS for 46% of ccTLDs, but not much for any other services
- Priorities for APTLD are (in order) IPv6, DNSSEC, growing registrations / marketing, DDOS attacks, Engagement with ICANN, Governance, Relationships with registrars

Online Badness Panel Discussion

CNNIC Phishing (Tan Yaling .cn)

Security Framework for .hk (Ben Lee)

.nz Honeypot project (Keith Davidson)

What happened to DNSSEC (Ed Lewis – Neustar)

Strengths and Weaknesses of DNSEC (Paul Kane – CommunityDNS)

- Updates from around the region on various steps to address online badness

Tuesday – APTLD Members Meeting

- RFC1591 discussion, presentations from John Klensin, Keith & Debbie (.nz), Choo Sai Lim (Singapore) and Barbara Roseman (IANA) – useful discussion on the extent of RFC1591, and thick vs thin interpretations on what is meant by serving the local Internet community. Also discussion on delegation and re-delegation processes by IANA. I expressed concern that IANA have no mandate (under RFC1591) to take Government as being anything more than a member of the local Internet community for redelegation decisions, and also that the GAC principles on redelegation were not an ICANN policy and not appropriate until they have been through an ICANN consultation process.
- New gTLD application process update from Edmon Chung (.asia) and discussion on implications for ccTLDs from Stephen Deerhake (.as) and Amanda Bee (.cn)
- Jordan presented on the duties of the APTLD secretariat, in preparation for soliciting responses to the RFP when the Secretariat is replaced in June.
- Myself and Ramesh (APTLD) lead the discussion on the Budget and Business Plan for the forthcoming year – no additional significant input from members, except some discussion on membership fees (remaining voluntary) but decided to hold this item over until .au are able to attend the meeting.
- Tribute & presentation to Don Hollander, on his retirement, for his work as the first staff member / General Manager of APTLD.

Tuesday – APIA AGM

1. Confirmed Minutes of APIA AGM held 25th February 2008

2. Annual Report 2008 by APIA Chairman

- PIKOM continued as secretariat
- Secretariat now handling the APRICOT Fellowship programme

- Soliciting international sponsorship
- PIKOM to host the next APRICOT meeting
- APIA participated in Communicasia 2008, and making arrangements with APNIC for use of the booth at this event
- Promotion to 50 people from 30 organisations by secretariat promoting APIA and APRICOT
- APRICOT2008 – 630 attendees from 43 economies – average attendance, 9 Fellowship attendees, bringing up 98 fellows awarded since 2004
- APRICOT2009 – no attendee count yet
- APRICOT2010 – will be at KL, Malaysia
- APRICOT2011 – possibly Hong Kong
- APRICOT2012 – still looking for bids

ACTION POINT: Maybe InternetNZ and the PIP programme could work in conjunction with APIA to award fellowships for Pacific Island attendances?

ACTION POINT FOR APTLD: Should join APIA and promote for APTLD ccTLD members

3. Financial Report 2008 by APIA Treasurer

- Expecting other revenue to be significantly down in 2009, as sponsorship proves more difficult
- Interest earned will also be significantly reduced
- No secretariat fees, as PIKOM are running next APRICOT, but these fees will return in 2010/11
- Adopted budget for new year, and accounts for last year.

4. Board Election

4 nominations for 3 positions, the following elected:

1. Scott MacDonald
2. Jonny Martin
3. Ching-Heng Ku (.tw)

Tuesday afternoon – APTLD AGM

Apologies

Confirmed proxies, apologies and that quorum attended

Confirm the Minutes of the Previous AGM

That the minutes of the AGM held on 26 February 2008 in Taipei be adopted

Annual Chairman's Report for 2008

Taken as read, That the Chairmans report be adopted

Annual Accounts for 2008

That the accounts to 31 December 2008 be adopted

Appointment of Auditors for 2009

Bill Manning suggested last AGM that may be desirable to change the auditors each 3 years – feeling of the meeting was that as the secretariat is for a maximum of 4 years, and the secretariats auditor should be used, that it was not necessary to change each 3 years

THAT the Grant Thornton be appointed APTLD auditor for 2009

Constitutional Changes

That the constitutional amendments be adopted, except for 8.2 relating to membership fees.

Confirmation of new Board Members

That the online election of new APTLD directors Lim Choon Sai from .sg and Anthony Lee from .tw, and returning directors Yumi Ohashi (.jp) and Keith Davidson (.nz) be ratified.

Vote of Thanks for Retiring Board Members

That outgoing APTLD directors Ai Chin (.tw) and Siavash (.ir) be thanked for their contribution to the board

AP: Don to send their gifts to them.

No other business.

Tuesday afternoon - APTLD Board Meeting

Present: Keith Davidson (.nz), Yumi Ohashi (.jp), Shariya Haniz Zulkifli (.my), Jian Zhang (.cn), Yungjin Suh (.kr), Anthony Lee (.tw), Lim Choon Sai (.sg). Don Hollander, Ramesh and Jordan in attendance.

Apologies: Jonathan Shea (.hk)

1. Election of Officers

Keith opened nominations for Chair and nominated Jonathan Shea. There were no further nominations and Jonathan was declared elected.

Keith Davidson opened nominations for Vice Chair and was nominated by Shariya. There were no further nominations and Keith was declared elected.

Keith opened nominations for Secretary and Keith nominated Yumi Ohashi. There were no further nominations and Yumi was declared elected.

Keith opened nominations for Treasurer and Yumi nominated Shariya Haniz Zulkifli. There were no further nominations and Shariya was declared elected.

2. Matters arising from Members Meeting

There were none that would not be dealt with for tomorrow.

3. Financial and other Delegations

Keith moved that Ramesh be appointed and authorised to manage the APTLD Finances. This was agreed by the Board. Keith also moved that Ramesh be APTLD's official representative at all relevant sibling organisations. This was agreed by the Board.

4. Any Other Business

Shariya confirmed that the agenda had been circulated for tomorrow (it has), the Board will meet for breakfast at 8.30am in the Hotel restaurant. The meeting begins at 9.15am. Jian may be represented by Yaling at the Board meeting.

Wednesday – APTLD Board Retreat

- Revisit of strategic plan, business plan and budget, only significant changes are to include IPv6 as a priority for APTLD, and to add technical workshops on Security of the DNS and IPv6 to be backed to the ICANN meetings in Sydney (June), and possibly again in Korea (October)
- Next members meeting to be in conjunction with APNIC members meeting in Beijing in August
- Agreed that secretariat RFP process to start, revised the RFP document and will get further input from Jordan before finalising document at March teleconference
- Agreed to hold full consultation over membership fee bands at next meeting, to allow .au's input.
- Agreed next F2F board meeting should be in conjunction with ICANN Sydney, and then again at ICANN Korea.
- Ramesh to pick up honeypot concept to promote as a collaborative project in ccTLD community, esp. in APTLD region
- Ramesh to prepare travel plan to get around region / members

Friday – APNIC AGM

- Useful structural progress for APNIC, even to the extent of preparations for being a “green” eco-office etc.
- Conversion to Aus\$ base currency (from US\$) proved its value in the past year – very small loss for year and still around \$14million in cash reserves.
- Executive Committee election
 - James Spenceley elected, useful for Australia and NZ, well known to NZNOG and working for Vocus
 - First woman ever appointed to the EC, Jian Zhang from CNNIC, who is also on the APTLD Board.
- **Action Point:** Look at APNIC survey results on IPv6 readiness

SUMMARY

Very useful series of meetings. The main emphasis in APTLD is the Fasttrack IDN's for ccTLD's and the cc Managers are still strongly supporting the APTLD positions. We need to continue to capitalise on NZ's status of being a pragmatic, solution oriented organisation.

BOARD PAPER – ICANN Mexico 2nd – 7th March 2009

Author: Keith Davidson

Status of Paper: Staff Final

All papers and links accessible from www.mex.icann.org

It was a pity with the timing of the APTLD Manila meeting precluded my arrival in Mexico until Sunday evening, effectively meaning I missed the 2 big days of the At Large Summit held over the weekend.

Opening Ceremony – Monday Morning

Minister of Telecommunications Mexico

- Broadband is essential for the future of Mexico and will be using the power companies to help deliver the infrastructure
- Concessions for radio spectrum and encouragements for new wireless providers
- 30 million Internet users in Mexico, needs to increase to participate in the information society and the knowledge economy

Paul Twomey resigns, effective December 2009.

New gTLD process workshop

- See <http://icann.org/en/topics/new-gtlds/comments-2-en.htm>
- Submissions on about 50 themes received, and will result in a 3rd draft guidelines
- More time required to also include impact of DNSSEC and IPv6 as well as expanding the root.
- Issues:
 - Fees
 - US\$25,000 baseline + 25 cents per name after 50,000 names
 - Includes refund structure
 - Some exception for community based applicants
 - IDN's
 - Geographic names, meaningful representations of a country name will require Govt approval (probably covers .kiwi)
 - Technical and Operational
 - Further questions for prevention of abusive registrations and take down processes
 - Dispute Resolution
 - Expanded guidelines for adjudicating morality and public order objections
 - String Confusion
 - Evaluation of confusion expanded beyond visual only,

- Increase in evaluation methodology & scoring
- Registry Agreement
- Require up to 10 year registrations
 - Some lifting of the registry/registrar separation requirements
 - Modified process for amending registry agreements
- Public comments close April 13
 - My suggestions for comments from InternetNZ – needs more clarification around the need to have more than 2 characters in any application, to keep very separate from ccTLD's

ccTLD Technical Workshop - Monday

All day Monday sessions – useful presentation from R Flaim, FBI, on cross border legal issues and their realisation that co-operation between ccTLD managers and law enforcement is becoming a crucial issue in the fight against e-crime.

Sessions on domaining, and seems to be increasing in popularity as an extra revenue earner for ccTLDs

Interesting further developments with the COCCA registry system, and Garth Miller is moving the formal offices of the organisation to NZ.

ccNSO Members Meeting Tuesday

IANA Update – Kim Davies

3 tests being applied by IANA to ccTLDs:

1. Not allowing open recursive nameservers,
2. Network diversity of nameservers (not all in the same /24) At least 2, preferably 3 or more distinct networks. Already has a IPv6 requirement for gTLD's so could expect a **v6 for ccTLD's** in due course
3. Referrals should not fragment – i.e. the root server should respond with 512 byte packets in a single path. More nameservers makes short response more difficult. Compression benefit by using sensible naming of the nameservers

9.6% of TLDs have open recursive nameservers

7.2% without diverse IPv4 paths

68.7% without diverse IPv6 paths

41% with no IPv6 at all

IANA will apply a string evaluation for IDN ccTLDs (as opposed to checking against ISO-3166 list for ascii cc's. ICANN committee will approve the string and advise IANA.

Signing the root – operationally almost ready at IANA.

Interim Trust Anchor Repository – stopgap measure until the root is signed – see itar.iana.org

ICANN Board - Peter Dengate Thrush and Paul Twomey

Want to know what are the priorities and issues for ccTLD's

ccNSO wants to understand why ICANN is requiring agreements and financial contributions for ccTLD IDNs

Funding – new services have real costs, and ICANN has no other method of funding, and ICANN suggesting that since 67% of gTLD registrants are based in USA and would be unfair to expect USA to subsidise the costs of establishing cc IDNs.

Voluntary contributions hasn't been a working model for existing ccTLDs.

ICANN will in 4 – 6 weeks produce some budget lines at a reasonably detailed level for the costs of operating IANA and the IANA function.

Contracts / agreements / accountability frameworks – there isn't 30 years of stability behind the new moves to IDNs and if difficulties arise in the operation of an IDN ccTLD, then there needs to be an obligation on the parties to engage in dialogue on the issues, so sensibly needs to have the methodology prescribed.

Enforcability not so much the issue and if working on the greatest good for greatest number principles.

ICANN would probably not allow IDN cc's to start up without having agreements in place, and funding agreed.

Committee Reports

Received from Participation Committee, SOP and GAC / ccNSO relationship ctte's

Regional Updates

Received from APTLD, CENTR, LACTLD and AFRINIC

IGF Panel

Panel discussion from Bill Graham (ISOC), Lesley Cowley and Martin Boyle (Nominet), Patricio Poblete (.ch) and Raul Echeberria (LACNIC) on encouraging the ccTLDs who don't participate in the IGF to do so, and that the ccTLD input at the IGF has helped clarify and ease tensions in that forum.

UK Govt has its own Internet Governance Forum, as a vehicle to participate more fully in the IGF and looking for the emerging issues that should be arising on the IGF agenda. UK had their "Best Practice Challenge" encouraging initiatives.

Joint GAC ccNSO session – Tuesday afternoon

Strong agreement of views between ccNSO and GAC on IDN process and especially on fees and agreements. GAC to share their agreed statement to ccNSO – statement generally saying fees should be relative to actual operations costs and agreements desirable but not compulsory.

Action Point: Invitation from GAC for ccNSO to provide some key technical advice and input into full day session for GAC on IDN's at Sydney ICANN

Joint GAC / ccNSO / ICANN Board Meeting Tuesday Evening

GAC and ccNSO expressed strong and aligned support for the IDN for ccTLD fasttrack process, and that there should not be compulsory fees or agreements.

ICANN Board members felt it was unlikely the Board would find this acceptable, and also pointed out the total financial contribution from existing ccTLDs was inadequate.

Agreed that ICANN will provide full detailed costs of IANA and other items relating to ccTLDs e.g. the costs of ICANN meetings etc – and so at last the ccTLD community will have the opportunity to examine these costs and evaluate the fairness of payments to ICANN. Financials should be available within 6 weeks.

At Large Summit – APRALO Meeting

www.atlarge.icann.org/files/atlarge/correspondence-05mar09-en.pdf has the summary declaration from the At Large Summit held at this ICANN meeting. The At Large community appear to becoming more familiar with the actual issues they can raise within the ICANN meetings, and that many of their issues are ultra vires the ICANN agenda / mission. There seems to be clearer understanding of the need of this constituency needs to respond to the papers from other constituencies as they arise, and have a process to elevate their own issues. Some significant strength and unity becoming apparent from a formerly rather too disorganised community.

In the APRALO, NZ'er Karaitiana Taiuru was re-elected as the Chair for the next two years.

ICANN Public Forum – Thursday

gTLD Process – procession of speakers asking for speedy deployment of new TLDs and commenting that the suggested \$185,000 application fee is too high.

Fastrack IDN's – speakers generally supported fasttrack process. Only negatives seemed to come from the board members who support both contracts and fees as obligatory parts of the IDN for cc's roll out.

ASO Report

Primarily about the concerns of IPv4 address exhaustion, and emphasising the ICANN community needs to show leadership in IPv6 deployment.

ccNSO Report

Now 90 members

ccNSO Council resolutions relating to IDN's for ccTLDs and very closely emulating the GAC wording, insisting ICANN allows for no contractual obligations and no compulsory fees for ccTLDs who are in the IDN fasttrack process

GAC Report

Same as ccNSO re ccTLD IDN process.

Re gTLD's – didn't have time to comment due to late posting of the latest draft on the process so held over until Sydney.

Also are seeking a joint review between GAC and US Govt of the role of the GAC in ICANN.

gNSO Report

RAA has 5 year term

Agreement on WHOIS

RSSAC

Review completed

SSAC Report

DNSsec still dominant process, but also ongoing work on fast fluxing and hijacking of high value domain names.

Nominating Committee

A number of vacancies for the Board and SO's to be filled at ICANN Sydney.

ICANN Board Review

InternetNZ reasserted its position (as did the majority who discussed this item) that ICANN board members should be able to receive voluntary directors fees, in order to make ICANN more truly globally representative.

ICANN Board Meeting - Friday

- IDN ccTLD Fasttrack resolutions from board seem to support the GAC and ccNSO statements.

DISCUSSIONS WITH OTHER ORGANISATIONS DURING ICANN

IGF – Multistakeholder Advisory Group

Various discussions with Fiona Alexander, Suzanne Sene from US Govt, Bill Graham from ISOC etc regarding NZ taking Australia's forthcoming vacancy on the MAG.

Hectors World

I met with Nancy Volersky, who is the Director of E-Commerce for the Ministry of Telecommunications and Technology for the Government of Bermuda, and is engaged in rolling out a number of internet safety initiatives in Bermuda. Introduced her to Netsafe website and email introduction to Liz Butterfield as Hectors World seemed an appealing concept for use in Bermuda.

NZNOG Trust

Interestingly Joe Abley is currently contracted by ICANN to develop the anchor repository for root signing. Taking advantage of the fact that Joe and Andy Linton as two of the three trustees for the NZNOG Trust, along with Pete Macaulay as the InternetNZ settlor are together in Mexico, arranged for signing of the Trust Deed.



.im Registry

Met with Phil Adcock, Technical Manager of the Isle of Man ccTLD who wanted to discuss a business proposal with InternetNZ. After discussions, referred him to Debbie Monahan, as the proposal was most specifically aligned to the registrars under the .nz model.

GAC Chair / US GAC - Janis Karklins / Suzanne Sene

Action Point: Discussion on IDN's and competitive edge purported by the gTLDs – needs addressing in Sydney

Vika .za

Discussion on .nz SRS software.

David Main - .ws

Ongoing discussions re .ws registry. David to visit NZ sometime in next quarter to further review the SRS.

SUMMARY

There continues to be a small but powerful group within ICANN that assert the ccTLD IDN Fasttrack process will give the ccTLD's a competitive advantage over the gTLD's and would prefer the processes for both to run together. We need to do further work within the GAC and the gNSO to exhibit the fact that the fasttrack process is more about serving the local Internet communities, and getting more people using the Internet in the native languages and scripts – examples like .jp who intend to give away IDN domain names would provide some strength to this position.

Useful progress in strengthening the GAC / ccNSO relationships, exhibited especially through the unified statements from these SO's to the ICANN Board.

The new gTLD process looks like it will get re-bogged down in ICANN talkfesting, and I would be surprised if the process will start within the next 2 years.

Some useful progress now possible for .nz in DNSSec, and good news that kiwi Joe Abley is heading ICANN's development of the root server trust anchor system.

A useful meeting, but unfortunately little truly useful progress on the important issues, although some good potential emerging in some of the newer issues.

Notes from IPv6 Hui Admin Meeting

WHEN

Vint due to arrive: Wednesday 19th

He could be in Auckland Thursday 20th and Wellington Friday 21st or vice-versa, depending on LDT event

If we do Christchurch it will be on the 19th

AP Keith to finalise int arrangements as soon as possible

AUDIENCE

Needs to be a strategic/business focus

CIOs of Enterprise and Government

CTOs of service providers

CEOs of vendors

Associations -

Universities - head/dean of school

Government - policy people

Integrators/content

Media

Estimate 50-100 people in Auck/Well, 30 in Christchurch

Lunch, two teas, probably \$10,000 per venue

Venues – Hotels:

Wellington - James Cook or Intercontinental

Auckland - Sheraton, Rendevous etc

Christchurch - through CDC

Invite through TUANZ/TCF/NZICT/ISPANZ/Universities/

Three communications before event.

AP Campbell Richard build Invitee list

AP Campbell Richard - Initial invite by end of April

AP Campbell Richard - Invite in early June

AP Campbell Richard - Invite in July

AP Richard - develop a plan to leverage media channels

AP Campbell - Identify venue options with tables.

SPEAKERS PRO RAM

Objectives of event (to be linked to agenda)

- 1) review IPv6 adoption
- 2) prepare roadmap for adoption of IPv6
- 3) resource

Keith's interpretation

This is the way and the light

Where are you at

It's not rocket science

Here's a couple of examples

Now get out and do it.

Draft plan

9am Welcome/Intro: Murray Milner

9.15-10.00 - Keynote: Vint Cerf - uses and potential uses - 1/2 to 1 hour

"Readiness" stage:

10-10.30 ??? - Presentation of NZ readiness survey

10.30-11.00 morning tea

11.00-11.30 Tony Hill - update of Australia survey

11.30-12.30 Tony Hayne - Cisco (seven stages) Checklist/readiness, Gen-1 - case study
readiness in new zealand

12.30 lunch

"Prepare" stage:

1pm Preparation Guide (collateral material)

two to three Case studies - actual organisations to present, business drivers as key element, high level how to do, and raise technical and business issues at an appropriate level. May need to help organisations to put v6 in.

One overseas case study (not from vendor)

How to-s

.nz conversion (Jay)

Health sector (Murray)

a New Zealand enterprise case study

Google

2.30-3.00 Afternoon Tea

"Resource" stage:

3.00 Training component - Brian Carpenter

RFP/Outsourcing requirements/Support resources/HR requirements/training

Integrators

4.00 - 4.30 Wrap-up panel chaired by Murray

with Lawrence Miller

National roadmap

What do you need to help you to move forward?

"Cost neutral"

AP Murray - talk to Cisco re Tony Hayne

AP - Consider Materials Inputs requirements

AP - get speakers nailed down

AP - Survey

AP - Checklist

AP - Readiness guide (vendor)

AP - Case Studies

Surveys - IDC, APNIC, others

Further

Stream it over v6

Costs and funding

\$20,000 from InternetNZ

\$30,000 from Telecom

Need - Print sponsor, Lunch sponsor, Drinks sponsor

Juniper

Cisco

ALU

Allied Telesis

FX Networks

AP Dean consult tech group re stunt for same days
AP Murray consult with Steering group How much to charge 0, 100, 200
AP - Explore survey sponsorship

Cost Estimate:

Survey \$50-100,000
Hui \$30,000+
Guests \$20-30,000
Promotion \$10-20,000
Comms/Outreach plan \$50,000-100,000
Admin \$??

Total \$150,000 - \$300,000, some in kind

Next meetings:

Steering group meeting Tuesday 14th Wed 15th
Admin group meeting Wed 8 April

EDO FORECAST TO 31 MARCH 2009

	Apr-Sep 08 *	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Total TD Actual	Mar 09 Est **	Projected Year End	Year Budget
2 Public Policy										
22 Public Policy Projects										
2203 Parliamentary Internet Cau	0	0	0	0	0	0	0	0	0	7,337
2204 Telecommunications Reform	57,785	25,000	9,400	5,384	0	576	98,145	0	98,145	74,083
2205 Internet Regulatory Issues	30,445	1,187	2,482	853	0	0	34,968	5,000	39,968	37,455
2209 Overseas Speakers	0	0	0	0	0	0	0	0	0	9,171
2211 Cyberlaw Fellowship	21,606	0	996	316	0	21,250	44,167	26,000	70,167	71,784
2212 Internet Patents	2,520	420	0	420	420	420	4,200	420	4,620	4,339
2213 Internet History	32,370	0	750	250	0	0	33,370	0	33,370	34,299
2214 Fibre Campaign	39,437	0	0	76,977	1,920	0	118,334	2,500	120,834	105,879
2215 Community FTTH Toolkit	0	0	0	0	0	0	0	0	0	18,341
2216 Consumer Comp Security Ed	0	0	0	0	0	0	0	0	0	18,341
2217 Digital Comm/Regional Net	5,958	0	0	0	5,000	0	10,958	0	10,958	30,933
Total 22 Public Policy Projects	190,121	26,607	13,628	84,200	7,340	22,246	344,142	33,920	378,062	411,964
23 Related Organisations										
2301 Netsafe Sponsorship	100,000	0	0	0	0	0	100,000	0	100,000	100,000
2303 PIP Sponsorship	10,458	1,000	0	0	0	0	11,458	0	11,458	21,127
2304 Netsafe Samoa	0	0	0	0	0	0	0	0	0	14,673
Total 23 Related Organisations	110,458	1,000	0	0	0	0	111,458	0	111,458	135,800
24 Meetings										
2100 Public Policy Committee	2,361	0	0	0	0	0	2,361	0	2,361	11,634
2207 ENUM Meetings	0	0	0	0	0	0	0	0	0	14,673
Total 24 Meetings	2,361	0	0	0	0	0	2,361	0	2,361	26,307
Total 2 Public Policy	302,940	27,607	13,628	84,200	7,340	22,246	457,961	33,920	491,881	574,071

EDO FORECAST TO 31 MARCH 2009 - P2

	Apr-Sep 08 *	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Total TD Actual	Mar 09 Est **	Projected Year End	Year Budget
3 Technical Policy										
32 Technical Policy Projects										
3202 Certification Authority	0	0	0	702	0	0	702	0	702	36,683
3203 NZCERT Scoping	1,533	528	0	0	0	0	2,061	0	2,061	18,750
3204 Broadband Measurement	0	0	0	0	117	0	117	0	117	36,683
3206 IPV6	8,433	0	417	0	6,143	781	15,775	0	15,775	24,256
3207 Tech Capability Devt Fund	7,709	0	0	0	0	5,234	12,943	0	12,943	31,399
3208 Best Practice	0	0	0	0	0	0	0	3,333	3,333	29,346
3209 Apnic Chch	36,474	1,000	0	-9,855	0	0	27,619	0	27,619	36,474
3210 APRICOT	0	0	0	0	0	0	0	0	0	4,200
3209 OOXML	4,200	0	0	0	0	0	4,200	0	4,200	11,005
Total 32 Technical Policy Projects	58,349	1,528	417	-9,153	6,260	6,015	63,417	3,333	66,750	228,796
33 Related Organisations										
3302 ISOC Membership	0	0	0	0	0	0	0	0	0	4,402
3303 NZNOG Sponsorship	0	0	0	10,000	0	0	10,000	0	10,000	7,337
3310 WIP Sponsorship	0	0	25,170	0	0	0	25,170	0	25,170	18,341
Total 33 Related Organisations	0	0	25,170	10,000	0	0	35,170	0	35,170	30,080
Total 3 Technical Policy	58,349	1,528	25,587	847	6,260	6,015	98,587	3,333	101,920	258,876

EDO FORECAST TO 31 MARCH 2009 - P3

	Apr-Sep 08 *	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Total TD Actual	Mar 09 Est **	Projected year End	Year Budget
4 ED Office										
41 Internal										
41 Internal - Other	0	61,661	59,861	60,512	54,088	48,807	284,931	100,000	384,931	499,317
4101 APTLD Secretariat	6,628	0	360	1,851	7,297	-12,441	3,695		3,695	6,628
Total 41 Internal	6,628	61,661	60,221	62,363	61,386	36,365	288,626	100,000	388,626	505,945
44 Special Projects										
4401 Special Projects Fund	17,194	0	0	0	0	0	17,194	0	17,194	77,945
4402 Structural Review	29,324	0	0	0	0	0	29,324	0	29,324	29,324
4404 Liz Dengate Foundation	30,790	0	0	0	0	0	30,790	0	30,790	30,790
Total 44 Special Projects	77,308	0	0	0	0	0	77,308	0	77,308	138,059
Total Organisational	83,936	61,661	60,221	62,363	61,386	36,365	365,934	100,000	465,934	644,004
Total 4 ED Office	445,225	90,797	99,436	147,410	74,986	64,627	922,481	137,253	1,059,734	1,476,950
Unclassified	-445,225	0	0	0	0	0	-445,225	0	-445,225	0
Net Surplus (Deficit)	0	-90,797	-99,436	-147,410	-74,986	-64,627	-477,256	-137,253	-614,509	-1,476,950

Difference

7,337

-24,062

-2,513

9,171

1,617

-281

929

-14,954

18,341

18,341

19,975

33,902

0

9,669

14,673

24,342

9,273

14,673

23,946

82,190

Difference

35,981

16,689

36,566

8,481

18,456

26,013

8,855

4,200

6,805

162,046

4,402

-2,663

-6,829

-5,090

156,956

Difference

114,386

2,933

117,319

60,751

0

0

60,751

178,070

417,216

445,225

862,441

INTERNET NEW ZEALAND
Executive Directors Office
Summary of Cash Funds
As at 28 February 2009

Financial Institution	Account	Term	Start	Maturity	Interest Rate	Amount
<u>NAB</u>						
ED Cheque Account						455,979.57
ED Savings Account						1,146.56
						457,126.13

Total Cash Invested 457,126.13

Internet New Zealand Incorporated - ED's Office
QB Balance Sheet
As of February 28, 2009

Feb 28, 2009

ASSETS

Current Assets

Current/Savings

160 · NBNZ Cheque Account	455,979.57
161 · NBNZ Savings Account	1,146.56
162 · Funds Xfer from Council	-943,495.39
Total Current/Savings	<u>-486,369.26</u>

Accounts Receivable

200 · Accounts Receivable	12,706.27
Total Accounts Receivable	<u>12,706.27</u>

Other Current Assets

203 · Reimbursables	6,338.28
218 · RWT	275.46
219 · Kiwi Saver Tax Credit	-1,702.84
Total Other Current Assets	<u>4,910.90</u>

Total Current Assets	<u>-468,752.09</u>
-----------------------------	--------------------

TOTAL ASSETS	<u><u>-468,752.09</u></u>
---------------------	---------------------------

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

300 · Accounts Payable	43,318.13
Total Accounts Payable	<u>43,318.13</u>

Other Current Liabilities

324 · Tax Payable	-34,813.94
Total Other Current Liabilities	<u>-34,813.94</u>

Total Current Liabilities	<u>8,504.19</u>
----------------------------------	-----------------

Total Liabilities	8,504.19
--------------------------	----------

Equity

Net Income

Net Income	-477,256.28
Total Equity	<u>-477,256.28</u>

TOTAL LIABILITIES & EQUITY	<u><u>-468,752.09</u></u>
---------------------------------------	---------------------------

Internet New Zealand Incorporated - ED's Office
Profit & Loss Budget vs. Actual
April 2008 through February 2009

	TOTAL			
	Feb 2009	Budget	Apr '2008 - Feb 2009	Budget
2 Public Policy				
22 Public Policy Projects				
2200 BroadBand				
2203 Parliamentary Internet Cau	0.00	-1,222.76	0.00	-6,113.82
2204 Telecommunications Reform	-576.01	-2,716.40	-98,145.16	-71,366.76
2205 Internet Regulatory Issues	0.00	-1,168.35	-34,967.76	-36,286.76
2209 Overseas Speakers	0.00	-1,528.46	0.00	-7,642.27
2211 Cyberlaw Fellowship	-21,250.00	-8,362.92	-44,167.65	-63,421.03
2212 Internet Patents	-420.00	-303.25	-4,200.00	-4,036.22
2213 Internet History	0.00	-321.65	-33,369.50	-33,977.74
2214 Fibre Campaign	0.00	-11,073.77	-118,333.21	-94,805.43
2215 Community FTTH Toolkit	0.00	-3,056.91	0.00	-15,284.55
2216 Consumer Comp Security Ed	0.00	-3,056.91	0.00	-15,284.55
2217 Digital Comm/Regional Net	0.00	-4,162.49	-10,958.35	-26,770.80
Total 22 Public Policy Projects	-22,246.01	-36,973.87	-344,141.63	-374,989.93
23 Related Organisations				
2301 Netsafe Sponsorship	0.00		-100,000.00	-100,000.00
2303 PIP Sponsorship	0.00	-1,778.12	-11,458.21	-19,348.80
2304 Netsafe Samoa	0.00	-2,445.53	0.00	-12,227.64
Total 23 Related Organisations	0.00	-4,223.65	-111,458.21	-131,576.44
24 Meetings				
2100 Public Policy Committee	0.00	-1,545.45	-2,360.99	-10,088.26
2207 ENUM Meetings	0.00	-2,445.53	0.00	-12,227.64
Total 24 Meetings	0.00	-3,990.98	-2,360.99	-22,315.90
Total 2 Public Policy	-22,246.01	-45,188.50	-457,960.83	-528,882.27
3 Technical Policy				
32 Technical Policy Projects				
3202 Certification Authority	0.00	-6,113.82	-702.41	-30,569.10
3203 NZCERT Scoping	0.00	-2,869.42	-2,061.33	-15,880.43
3204 Broadband Measurement	0.00	-6,113.82	-117.12	-30,569.10
3206 IPV6	-781.33	-2,637.08	-15,774.96	-21,618.84
3207 Tech Capability Devt Fund	-5,234.15	-3,948.46	-12,942.86	-27,451.03
3208 Best Practice	0.00	-4,891.06	0.00	-24,455.28
3209 Apnic Chch	0.00	0.00	-27,618.17	-36,473.65
3209 OOXML	0.00	0.00	-4,200.00	-4,200.00
3210 APRICOT	0.00	-11,004.88	0.00	-11,004.88
Total 32 Technical Policy Projects	-6,015.48	-37,578.54	-63,416.85	-202,222.31
33 Related Organisations				
3302 ISOC Membership	0.00	-733.66	0.00	-3,668.29
3303 NZNOG Sponsorship	0.00		-10,000.00	-7,336.58
3310 WIP Sponsorship	0.00	-3,056.91	-25,170.01	-15,284.55

Internet New Zealand Incorporated - ED's Office
Profit & Loss Budget vs. Actual
April 2008 through February 2009

	TOTAL			
	Feb 2009	Budget	Apr '2008 - Feb 2009	Budget
Total 33 Related Organisations	0.00	-3,790.57	-35,170.01	-26,289.42
Total 3 Technical Policy	-6,015.48	-41,369.11	-98,586.86	-228,511.73
4 ED Office				
41 Internal				
4101 APTLD Secretariat	12,441.40	0.00	-3,695.12	-6,628.09
41 Internal - Other	-48,806.85	-83,219.43	-284,930.55	-416,097.46
Total 41 Internal	-36,365.45	-83,219.43	-288,625.67	-422,725.55
44 Special Projects				
4401 Special Projects Fund	0.00	-10,125.27	-17,193.61	-67,819.94
4402 Structural Review	0.00	0.00	-29,323.94	-29,323.94
4404 Liz Dengate Foundation	0.00	0.00	-30,789.70	-30,789.70
Total 44 Special Projects	0.00	-10,125.27	-77,307.25	-127,933.58
Total 4 ED Office	-36,365.45	-93,344.70	-365,932.92	-550,659.13
Unclassified	0.00	0.00	445,224.33	0.00
TOTAL	-64,626.94	-179,902.31	-477,256.28	-1,308,053.13

Internet New Zealand Incorporated - ED's Office
Profit & Loss Budget vs. Actual
April 2008 through February 2009

	TOTAL			
	Feb 2009	Budget	Apr '2008 - Feb 2009	Budget
Income				
580 · Investment Income				
586 · Interest	1.44		700.30	
580 · Investment Income - Other	0.00	917.07	0.00	4,585.43
Total 580 · Investment Income	<u>1.44</u>	<u>917.07</u>	<u>700.30</u>	<u>4,585.43</u>
Total Income	1.44	917.07	700.30	4,585.43
Expense				
600 · Employment Expenses				
625 · Miscellaneous Staff Costs	0.00		355.56	
630 · Recruitment	0.00	917.07	0.00	4,585.37
635 · Staff Training	0.00	733.66	2,134.76	3,668.29
651 · Wages & Salaries				
651-01 · Kiwi Saver - Employer Cont	1,452.26		7,135.61	
651 · Wages & Salaries - Other	42,307.68	61,454.22	211,396.13	307,271.51
Total 651 · Wages & Salaries	<u>43,759.94</u>	<u>61,454.22</u>	<u>218,531.74</u>	<u>307,271.51</u>
653 · Wages - Casual & Temporary	0.00		600.00	
655 · Contracted Technical Services	1,933.33	6,113.82	16,841.66	30,569.10
Total 600 · Employment Expenses	<u>45,693.27</u>	<u>69,218.77</u>	<u>238,463.72</u>	<u>346,094.27</u>
700 · Project Expenses				
701 · Consultants	420.00	29,842.58	118,236.41	149,212.89
704 · Entertainment	0.00		20.00	
715 · General Project Costs	0.00		0.00	
730 · Legal Fees	0.00	425.91	1,000.00	2,129.57
735 · Meeting Costs	175.82	14,076.92	2,779.10	70,384.59
765 · Travel & Accom - National	3,250.67	8,577.60	15,388.74	42,887.99
770 · Travel & Accom - International	5,234.15	21,532.20	30,776.04	63,641.46
700 · Project Expenses - Other	0.00		0.00	445,224.33
Total 700 · Project Expenses	<u>9,080.64</u>	<u>74,455.21</u>	<u>168,200.29</u>	<u>773,480.83</u>
800 · Operating Expenses				
805 · Advertising	0.00	4,259.14	0.00	21,295.70
820 · General Office Expenses	31.11	45.95	860.21	229.75
845 · Promotion & Marketing	0.00	1,340.94	0.00	6,704.66
851 · Repairs and Maintenance	0.00	366.83	116.50	1,834.15
855 · Printing & Stationery	13.32	275.70	2,713.22	1,378.49
857 · Sponsorship	21,250.00	29,271.35	57,394.52	153,693.28
860 · Subscriptions	0.00	733.66	2,282.88	3,668.29
870 · Telecommunications	997.19		4,483.07	
885 · Web Site Updates & Hosting	0.00	851.83	12,990.00	4,259.14
Total 800 · Operating Expenses	<u>22,291.62</u>	<u>37,145.40</u>	<u>80,840.40</u>	<u>193,063.46</u>
900 · Overheads				
911 · Bank Charges	4.25		180.42	

Internet New Zealand Incorporated - ED's Office
Profit & Loss Budget vs. Actual
 April 2008 through February 2009

	TOTAL			
	Feb 2009	Budget	Apr '2008 - Feb 2009	Budget
917 · Conferences	0.00		1,131.15	
940 · General Communications	0.00		1,112.00	
950 · Insurance	0.00		470.00	
985 · Secretariat - APTLD	-12,441.40	0.00	-12,441.40	0.00
Total 900 · Overheads	-12,437.15	0.00	-9,547.83	0.00
Total Expense	64,628.38	180,819.38	477,956.58	1,312,638.56
Net Income	-64,626.94	-179,902.31	-477,256.28	-1,308,053.13

Executive Director's Monthly Report to InternetNZ Executive Board
30 April 2009 Workstream Updates and 31 March 2009 Financial Reports

Author: Keith Davidson / Jordan Carter

Status of Paper: Staff Final

Index:

ITEM	Page
Summary of Recommendations	2
Standard Reporting Items (for information):	
Financial Results to 31 March 2009: Commentary	3
Activity / Workstream Reports for April 2009	4 – 11
Structural Reform and Transition	12
Staffing Report	12
International Commitments	12
Current Issues (for information)	
Broadband Investment Initiative	12
Cyberlaw Fellow	12 - 13
IPv6 Hui	13
ICANN Sydney Meeting sponsorship	13
2020 Communications Trust	13
Current Issues (for decision)	
Financial Results to 31 March 2009	
	<6 pages>
PAPERS	
	Paper #
Notes from Minister Steven Joyce meeting 21 April	<1 page>
IPv6 Steering Group draft meeting minutes of April 14	<2 pages>
2020 Communications Trust <CONFIDENTIAL>	<9 pages>

Summary of Recommendations:

Standard Reporting Items:

1. *That the Executive Director's Report be **received**.*
2. *That the April 2009 Activity / Workstream reports be **received***
3. *That the March 2009 financial reports be **received***

Keith Davidson
Executive Director

Standard Reporting Items

Financial results for March 2009


The ED's office accounts disclose a deficit for the month of March of \$124,232, which was \$44,665 below the budgeted deficit of \$168,897 for the month. This brings the total adjusted (after accounting separation at 30 September) deficit for the year to 31 March 2009 to \$601,489, compared to an adjusted budgeted deficit of \$1,476,950.


Expenses continue to generally track well below budget as the expenditure "freeze" required by the Executive Board in December continued for the remainder of the financial year.


It should be noted that the financial reports are for the purposes of monthly reporting, and a number of subsequent balance date adjustments are likely as the annual accounts are prepared.

WORKSTREAM PROJECT REPORTS TO: 30 April 2009


PUBLIC POLICY WORKSTREAMS


Activity: Unconstrained Broadband - internetnz.net.nz/workstreams/bband/		
Status:		A "catch all" budget line funding all InternetNZ work involved in promoting the rollout of fast broadband across New Zealand.
Strategy:	Pub Pol	In April, a submission on the Government's broadband investment initiative was prepared and lodged.
Priority:	High	
Staff Support:	Jordan	


Activity: Copyright - internetnz.net.nz/workstreams/copyright		
Status:		InternetNZ has been attempting since the Copyright Amendment Act was passed to work in good faith with rights holders, ISPs and the government to try to solve the problems the legislation has created.
Strategy:	Pub Pol	In April, the government commenced its internal review of the s. 92A issue. In the coming year our attention needs to turn to how to develop a more satisfactory legal framework for copyright law.
Priority:	High	
Staff Support:	Jordan	

Activity: Cyberlaw Fellowship - internetnz.net.nz/workstreams/cyberlaw		
Status:		The Cyberlaw Fellowship is a Research Fellow at the VUW Law School, part funded by InternetNZ. The project is entering its fourth year.
Strategy:	Pub Pol	The forth Cyberlaw Fellow has been appointed. In April, Cynthia La Berge presented the results of her 'privacy' research to a 30-strong audience at the InternetNZ Office.
Priority:	High	
Staff Support:	Campbell	


Activity: NetSafe Strategic Partnership - internetnz.net.nz/workstreams/netsafestratpartnership		
Status:		Supporting the world-leading research, education and advocacy work of NetSafe on a long term, committed basis. This is a funding and thought leadership partnership.
Strategy:	Pub Pol	In April, staff attended the NetSafe monthly meeting, which discussed the creation of OCEANZ (child protection online service), and trial filtering of software at the DIA.
Priority:	High	
Staff Support:	Jordan	


Activity: Parliamentary Internet Caucus - internetnz.net.nz/workstreams/parlcaucus		
Status:		The Parliamentary Internet Caucus brings together Members of Parliament to learn about technology issues.
Strategy:	Pub Pol	No activities were undertaken in April. On hold, awaiting word from the Minister's office.
Priority:	High	
Staff Support:	Richard W	


Activity: Regulatory Issues & Submissions - internetnz.net.nz/workstreams/regulatoryissuesandsubmissions		
Status:		A fund to allow effective responses to Parliamentary, Government and Regulator calls for submissions.
Updated:	Pub Pol	In April, staff continued work on the IP Interconnection paper.
Priority:	High	
Staff Support:	Jordan	

Activity: Secretariat – ISPANZ - internetnz.net.nz/workstreams/secretariatispnz		
Status:		InternetNZ acts as secretariat for the ISP Association of New Zealand (ISPANZ).
Strategy:	Pub Pol	In April, staff undertook business-as-usual Secretariat duties for ISPANZ.
Priority:	High	
Staff Support:	Richard W	


Activity: Telecommunications Reform - internetnz.net.nz/workstreams/telcoreform		
Status:		The purpose of this project is to keep tabs on the development of New Zealand's telecommunications and Internet industries, and resource InternetNZ's engagement in policy and regulatory debates.
Strategy:	Pub Pol	In April, staff considered proposed changes to undertakings from Telecom and decided that no submission was required.
Priority:	High	
Staff Support:	Jordan	


Activity: Internet Patents - ipwatch.internetnz.nz		
Status:		InternetNZ pays IP law firm Baldwins to keep an eye open for any patents which may affect Internet users:
Strategy:	Pub Pol	In April, staff undertook business-as-usual monitoring of the IPWATCH database.
Priority:	Medium	
Staff Support:	Campbell	


Activity: Digital Communities - internetnz.net.nz/workstreams/digcomms		
Status:		InternetNZ is engaged in ongoing discussions with Local Government New Zealand (LGNZ) and other stakeholders.
Strategy:	Pub Pol	The project is on hold but may reemerge as a priority for InternetNZ. Note: The Government has removed the DDC and Broadband Investment Fund, and LGNZ and InternetNZ may wish to continue collaboration.
Priority:	Medium	
Staff Support:	Simon Riley	

Activity: Pacific Internet Partnership - internetnz.net.nz/workstreams/pip		
Status:		The Pacific Internet Partnership (PIP) is a consortium of independent organizations who have joined together to share their passion and resources to improve the technical IT skills in the Pacific Island Countries.
Strategy:	Pub Pol	No activities were undertaken in April.
Priority:	Medium	
Staff Support:	Keith	

Activity: Overseas Speakers - internetnz.net.nz/workstreams/intspeakers		
Status:		Informal discussions have indicated the opportunity to make use of appropriate speakers when in the Pacific. Guests are to be invited to New Zealand with events fitted around their visits.
Strategy:	Pub Pol	
Priority:	Low	No activities were undertaken in April.
Staff Support:	Keith	


Activity: ENUM - internetnz.net.nz/workstreams/enum		
Status:		Following a discussion with the TCF Board on 8 December 2006 it was agreed that the ENUM project would be 'suspended', due to pressures from other regulatory activities.
Strategy:	Pub Pol	
Priority:	Low	No activities were undertaken in April. The ENUM Working Party is yet to be reconvened.
Staff Support:	Campbell	


Activity: Broadband Consumer Access & Availability - internetnz.net.nz/workstreams/bbandaccess		
Status:		This is suggested for a number of themes including surveying the availability and costs of broadband in NZ hotels, and the availability of free Internet access in NZ at libraries etc.
Strategy:	Pub Pol	
Priority:	Low	New workstream, yet to be fully defined.
Staff Support:	Richard	


Activity: History of the Internet - internetnz.net.nz/workstreams/history		
Status:		For annual updates to The Internet in New Zealand book and maintenance of the Wiki, both published in 2008.
Strategy:	Pub Pol	The book 'Connecting the Clouds - the Internet in New Zealand' was published in August 2008, and the Wiki (nethistory.co.nz) has been populated.
Priority:	Low	
Staff Support:	Campbell	Business-as-usual monitoring of the Wiki was undertaken in April.


Activity: International Meeting in NZ - internetnz.net.nz/workstreams/intmeeting		
Status:		Seeks to either sponsor or host a significant international event each year in New Zealand. The 2009 / 2010 budget is for sponsorship of the January 2010 Linux users' conference in Wellington.
Strategy:	Pub Pol	
Priority:	Low	In April, INZ signed agreement with conference organizers to be an "Emperor Penguin" sponsor of the event.
Staff Support:	Keith	

Activity: ICT Careers & Skills Development - internetnz.net.nz/workstreams/ictcareers		
Status:		To provide sponsorship of a programme designed to encourage younger people to consider ICT as a career, highlighting the skills and attributes required for the variety of roles in this sector.
Strategy:	Pub Pol	
Priority:	Low	New workstream, yet to be fully defined.
Staff Support:	Keith	


Activity: International Policy Forum - internetnz.net.nz/workstreams/intpolicyforum		
Status:		Provides for funding a member of the Board to attend an international event on Internet governance issues.
Strategy:	Pub Pol	New workstream, yet to be fully defined.
Priority:	Low	
Staff Support:	Keith	


Activity: Legal Jurisdiction Issues Seminar - internetnz.net.nz/workstreams/legalseminar		
Status:		To enable InternetNZ to convene a seminar that looks at how legal jurisdiction issues are being affected by the Internet. An example is the treatment of suppression orders in an environment where people can freely publish outside New Zealand but be read from within the country.
Strategy:	Pub Pol	
Priority:	Low	Workstream design and initiation is underway.
Staff Support:	Jordan	


Activity: Maori ICT Achievement - internetnz.net.nz/workstreams/maoriict		
Status:		Provides resources to sponsor a specific award celebrating Maori achievement in ICT. It would be done as part of other awards already on the calendar (perhaps the annual TUANZ Awards, or the Liz Dengate Thrush Foundation awards) and aim to inspire greater success for Maori in Internet engagement.
Strategy:	Pub Pol	
Priority:	Low	In April, initial discussions were held with June McCabe and Anthony Royal over possible criteria.
Staff Support:	Keith	


Activity: Presentations for Partners - internetnz.net.nz/workstreams/presentations		
Status:		For InternetNZ staff, governing board members or affiliated people (e.g. the Cyberlaw Fellow) to fund attendance at conferences or other outreach events to promote the Society's work.
Strategy:	Pub Pol	To be applied as appropriate.
Priority:	Low	
Staff Support:	Richard	

TECHNICAL POLICY WORKSTREAMS


Activity: IPv6 - internetnz.net.nz/workstreams/ipv6		
Status:		The IPv6 project “champions” the NZ conversion to IPv6 within the industry, including telcos, ISP’s, corporates, and home users.
Strategy:	Tech Pol	In April, the first notice of Hui was sent to CIOs and venues were costed. Further updating of the IPv6 microsite, with the inclusion of an IPv4 ticker. Comms plan was finalised and the Admin and Steering Group met, with a draft terms of reference circulated to the wider interest group.
Priority:	High	
Staff Support:	Richard / Campbell	


Activity: Securing the DNS - internetnz.net.nz/workstreams/securingdns		
Status:		For research and deployment of new technologies that improve the security and stability of the .nz domain name system. Examples include DNS Sec, IP Sec, Certification Authority or a CERT for NZ.
Strategy:	Tech Pol	The Government, through GCSB, has agreed to establish an NZCERT. Issues remain on what form it will take, how quickly it will be established and how it will be funded. Contractor Liverton has completed a Certificate Authority scoping report and a CA 'strawman' document.
Priority:	High	
Staff Support:	Campbell	
In April, the BTF changed its name to The New Zealand Internet Taskforce, and staff monitored the NZITF mail list.		


Activity: World Internet Project - internetnz.net.nz/workstreams/wip		
Status:		The World Internet Project is an international research project that aims to track the trends of the Internet over a number of years assessing its impact around the world by each country surveying both users and non-users of the Internet. AUT are conducting the research in New Zealand.
Strategy:	Tech Pol	In April, staff continued work on a review of WIP outputs, developing a paper noting items of interest arising from the international comparisons.
Priority:	High	
Staff Support:	Keith	


Activity: Broadband Measurement - internetnz.net.nz/workstreams/bbandmsmt		
Status:		InternetNZ has identified the need for a broadband measurement tool for New Zealand that grades a range of network/technical quality of service metrics such as jitter and packet loss.
Strategy:	Tech Pol	A detailed broadband measurement proposal has been received from MediaLab, and discussions relating to this document have been held with Consumer NZ. No activities were undertaken in April.
Priority:	Medium	
Staff Support:	Campbell	

Activity: Honeypot - internetnz.net.nz/workstreams/honeypot		
Status:		A Victoria University project to undertake an environmental scan of the .nz domain name space to detect malicious web content using client honeypot technology created by them.
Strategy:	Tech Pol	Victoria University’s Honeypot research continued in March – April. The Stage Three report is being finalised.
Priority:	Medium	
Staff Support:	Campbell	

Activity: Best Practice Programme - internetnz.net.nz/workstreams/bestpractice		
Status:		InternetNZ proposes establishing an Industry Best Practice Programme to develop technical standards that further the security and stability of the Internet in New Zealand. No activities were undertaken in April.
Strategy:	Tech Pol	
Priority:	Medium	
Staff Support:	Campbell	

Activity: NZNOG - internetnz.net.nz/workstreams/nznog		
Status:		The NZNOG project relates to InternetNZ's support of the New Zealand Network Operator's Group; specifically, sponsoring its annual conference \$10,000 (Platinum Sponsor). No activities were undertaken in April. The workstream is on hold until NZNOG10 approaches.
Strategy:	Tech Pol	
Priority:	Medium	
Staff Support:	Keith	

Activity: Technical Capability Development Fund - internetnz.net.nz/workstreams/tcdf		
Status:		The TCDF project is a Technical Policy Committee initiative to consolidate a range of technical funding mechanisms into a more manageable and accountable format. This was described more fully to Council at meeting held 4 March 2006. No activities were undertaken in April.
Strategy:	Tech Pol	
Priority:	Medium	
Staff Support:	Keith	


Activity: Internet Society (ISOC) - internetnz.net.nz/workstreams/isoc		
Status:		Maintaining a relationship with the global Internet Society, and over time to develop this and bring their insights into InternetNZ's policy work. Budget is for membership only. In April, staff undertook business-as-usual monitoring of ISOC mailing lists.
Priority:	Tech Pol	
Org:	Medium	
Staff Support:	Keith	


Activity: APRICOT - internetnz.net.nz/workstreams/apricot		
Status:		APRICOT (Asia Pacific Regional Internet Conference on Operating Technologies) is the biggest technical conference in the region. It provides new information and training opportunities on Internet technologies, aimed at a technical audience. No activities were undertaken in April; on hold, to be reactivated closer to the February 2010 APRICOT conference.
Strategy:	Tech Pol	
Priority:	Medium	
Staff Support:	Keith	


Activity: NZ Open Source Awards - internetnz.net.nz/workstreams/opensource		
Status:		InternetNZ has been a sponsor of the Communities best use of Open Source software award at the NZ Open Software Awards ceremony for the 2 years this awards series has run and the \$7,500 sustains the current funding arrangement. No activities were undertaken in April.
Strategy:	Tech Pol	
Priority:	Low	
Staff Support:	Keith	


ORGANISATIONAL, SPECIAL PROJECTS

Activity: APTLD Secretariat - internetnz.net.nz/workstreams/aptlldsecretariat		
Status:		Provision of administrative services and meeting support to the Asia Pacific Top Level Domain Association, in return for a nominal secretariat fee. Committed until 30/6/09. In April, ongoing financial reporting and administrative services were undertaken. Handover work with the new GM was continued.
Strategy:	Org	
Priority:	High	
Staff Support:	Jordan	


Activity: General Communications - internetnz.net.nz/workstreams/generalcomms		
Status:		Internal and external communications activities on behalf of all parts of InternetNZ, targeted at public, media, industry stakeholders and INZ members.
Strategy:	Org	
Priority:	High	In April, business-as-usual comms duties were undertaken including releases relating to the broadband investment initiative and the appointment of the acting CEO. The digest website was restructured to improve categorization and readability. A comms plan for the 2009/2010 year was drafted.
Staff Support:	Richard & Campbell	

Activity: Unspecified Project - internetnz.net.nz/workstreams/unspecifiedproject		
Status:		Unspecified project - could be transferred to special projects fund?
Strategy:	Org /Capex	
Priority:	High	
Staff Support:	Richard	

Activity: Website Redevelopment - internetnz.net.nz/workstreams/website		
Status:		Prior to 2005, the InternetNZ website was created manually using static HTML. In 2005, a major transition was made to the use of the Plone/Zope combination for a Content Management System. This project describes the transition from the initial Plone/Zope site to one based on the newer 3.x version of Plone.
Strategy:	Org	
Priority:	High	
Staff Support:	Nick W	No activities were undertaken in April; awaiting decision on whether or not to proceed with a project to create three 'sections' (Members, Council, Policy) to site.

Activity: Special Projects Fund - internetnz.net.nz/workstreams/specialprojects		
Status:		This is a \$100,000 contestable fund, established for use for any special projects that are likely to arise during each year, but not specifically planned or known at the time of establishing the annual budget.
Strategy:	Org	
Priority:	Medium	In April, concluded negotiations with auDA and AusRegistry for INZ sponsorship of ICANN Sydney meeting, with agreement for \$8,000 each from NZRS, DNCL and INZ, a total \$24,000 sponsorship package. E-vote approval for above from Council gained on 30 April.
Staff Support:	Keith	

Activity: ICT Industry Coordination – internetnz.net.nz/workstreams/ictindustrycoordination

Status:		Facilitation of ICT industry coordination (examples -. ICT* group, Content Providers Association, TUANZ <-> INZ etc) to develop greater harmony and cooperation within the sector. No activities were undertaken in April.
Strategy:	Org	
Priority:	Low	
Staff Support:	Keith	

Structural Reform and Transition

We await progress on a SLA from the SSU.

Staffing Report

Richard St Clair concluded his technical support contract as at 1 May and has moved to the USA. The technical support role is transitioning to the SSU, and the SSUM has indicated she is looking after the replacement. In the interim I have made arrangements for Richard to provide remote support, with FX Networks' Blair Harrison providing local support if necessary.

International Commitments

Significant international meetings arising in the 2009 / 2010 financial year include:

PACNOG Pacific	14 - 20 Jun 2009	Andy Linton
ICANN Sydney	21 - 26 Jun 2009	ED + 1 staff
Int'l School Dig Transfm'n	19 - 24 Jul 2009	DED
APTLD / APNIC Beijing	late August	ED or Rep
PICISOC New Guinea	Sep 2009	ED or Rep
ICANN Seoul	25 - 30 Oct 2009	ED or Rep
ECTA Europe	Nov 2009	DED
IGF Egypt	15 - 18 Nov 2009	ED or Rep
APRICOT/APTLD KL	1 - 5 March 2010	ED or Rep

At this stage, the only committed travel plan is for the ED to attend ICANN Sydney. The only other staff related committed travel is for Jordan Carter to the International School of Digital Transformation in July.

CURRENT ISSUES

Broadband Investment Initiative

The ED and DED met with the Minister, along with TUANZ representatives, at the Ministers request to discuss aspects of the Governments Broadband Investment Initiative. A copy of the meeting note is appended to this report.

The ED attended the Maori Development group hui on BII on 23 April and we shared our draft submission with this group.

Our submissions were generally supportive of the concept but highlighted the lack of detail from Government and sought further periods of public consultation as detail is developed and released by Government.

Cyberlaw Fellow

The 2009 Cyberlaw fellow, Cynthia Laberge presented her primary research findings to a meeting of VUW and InternetNZ attendees at INZ on 27 April. The focus of her research has been on changes to the status of individual privacy rights in the post-September 11th world, with a main research focus on the United States and its responses in terms of data matching to heightened perceived threats to law and order/national security from terrorist activity. The final output of the research is due late this year.

A number of data-sharing and data-mining initiatives that threaten privacy rights have been introduced post 9-11. These initiatives, carried out in the name of 'national security', include expanded wiretapping by the NSA, the mandatory collection and retention of PNR (Passenger Name Records) and analysis of SWIFT records.

Records are shared by the US and EU, and the EU has signed a sharing agreement with Australia. It is not known what information sharing is taking place between the USA and New Zealand.

LaBerge says the initiatives need to be monitored to protect privacy and there needs to be some degree of transparency and effective oversight.

I signed the agreement between Victoria University and InternetNZ, for the 2009 fellow and it should be noted that funding of \$95,000 is required for this year

I have asked Rick Shera and Simon Riley to expedite their review of this programme, as a final recommendation will be required at the June Council meeting in order to have a concept for members to consider at the AGM.

IPv6 Hui

Council resolved to increase the potential budget for this event to \$30,000, and commitments are being entered into for this event. Councillors may be interested that we have secured Vint Cerf as the keynote speaker to this event, as well as to the Liz Dengate Thrush Foundation Awards dinner on Thursday 20 August. The IPv6 hui will be held in Christchurch on Wednesday 19 August, Auckland on Thursday 20 August, and Wellington on Friday 21 August (currently also scheduled as an INZ Council Meeting). It may be possible to arrange an event for Council with Vint on the Friday evening in Wellington.

ICANN Sydney Sponsorship

Council, NZRS and DNCL have collectively agreed to a total of \$24,000 to be used as partial sponsorship of the ICANN Sydney meeting gala dinner, and agreements and details of the sponsorship will continue into May.

2020 Communications Trust

The attached confidential report was raised with Council by email and requires Councils further consideration.

Meeting file note

Hon Steven Joyce, Minister of Communications and Information Technology

Keith Davidson, Jordan Carter, Chris O'Connell, Ernie Newman
Bruce Parkes, Reg Hammond (MED officials)

Meeting held on Tuesday 21 April 2009 at 3.30pm, Beehive.

This was a meeting called by the Minister, the tone of which was a big-picture "toe in the water" - seeking high level responses to the government's "Broadband Investment Initiative".

InternetNZ and TUANZ both stated their general support for the model of regional fibre companies and a central Crown investment vehicle. InternetNZ reiterated the points made in its later submission on the proposal. TUANZ stated its view that the "other 25%" need to be considered in the rollout plans the government is developing - they cannot be left out of the picture.

The Minister raised in discussion the following key points:

- The competitive impact of different architecture options (i.e. will xPON be as amenable to retail competition as P2P?)
- What needs to be done to ensure rural rollout (where he floated the idea of using schools as points of presence for small-scale local fast broadband networks to join national networks)
- The need for local fibre companies to be able to offer some wholesale lit fibre services (his view appeared to be that only offering dark fibre could lead to inadequate availability of wholesale services).

Expanding on the rural point, the Minister noted it will take time to re-orient health and education services to drive the demand side for rural rollout. The supply is currently needed by Telecom, by mobile operators, by those public services - and is not being met yet.

Chris O'Connell gave some details of how the Nelson/Marlborough projects he was part of had dealt with some of these challenges. There is a clear desire by the Minister to make progress on rural issues, and I would expect to see more on this in the next few months.

The meeting's tone was upbeat and positive, as neither TUANZ nor InternetNZ had any particular criticism to offer of the broad framework that the government has presented. We did stress that "the devil is in the detail" and that this would define how workable the plan would end up being.

The meeting ended around 4.05pm.

Keith Davidson & Jordan Carter
28 April 2009.

IPv6 Admin meeting - 8 April 2009

Present:

Murray Milner (Chair), Keith Davidson, Simon Riley, Frank March, Campbell Gardiner

Apologies:

Dean Pemberton

IPv6 Hui:

Vendors have expressed a keen interest in the Hui, and have senior people available (Cisco, Juniper, Alcatel Lucent and Allied Telesis). These vendors are coming back with proposals on how they'd prefer to support. Some vendors have expressed an interest in having a stand to showcase their wares.

Hui dates - Thursday 20th August in Auckland. Friday 21st August in Wellington. Keith noted that there is an LDT dinner on the Thursday, so Vint will need to be in Wellington by 6.00pm that evening.

We are yet to find Hui locations for Auckland and Wellington. SkyCity and the Intercontinental are the preferred options so far.

With Laurence Millar's departure we need to find the most appropriate person from Government for the Hui.

The initial Hui communication should go out in April, to get into people's calendars. This communication will be a teaser - here is what is happening, this is where it is happening and our headline speaker will be Vint Cerf, etc. TUANZ, GOVIS and ALGIM will be useful channels for further communications.

Issues remain on cost options, vendor contributions and venues.

AP - Campbell to investigate venue costing.

AP - Murray to draft a Hui programme for the Steering Group meeting.

Review of Action points:

Details of outstanding action points below:

Investigate logo / branding options – To do. Simon has passed on details of a designer (Campbell).

Draft comms plan - A first draft has been done. To further refine draft for the Steering Group meeting. Reorient in landscape format and include the possibility of advertising in trade press or an article in NBR or The Independent (Simon and Campbell).

Draft outline Hui programme - To do (Murray).

SG members to provide feedback on draft action plan - Done, but the revised action point list is to be updated and presented at the Steering Group meeting (Campbell).

Approach telcos re: IPv6 timeframes - Under action (Murray).

Engage systems integrators - Under action. Efforts to-date have been focused on Cisco, Juniper, Alcatel Lucent and Allied Telesis (Murray).

Finalise SG meeting date - Done. There will be another SG meeting in late May, then July. And an admin meeting to discuss Hui invitations is also required.

International linkages - Under action (Murray). Simon is keen to invite the CIO of the Beijing Olympics. The Olympics were 'IPv6 enabled'. Any invitation should probably go through official Government channels.

AP - Frank and Simon to follow-up with Beijing Olympics CIO.

Australian linkages - Simon to make contact again with Tony Haine.

IPv6 Survey:

IDC is one possible supplier for the survey and Pete has come back with an indication on cost (\$30k).

Other surveys - The Market Clarity survey is supply-side, notes Simon. The Swedish survey is better and is a good base to start from. We should direct the review of the questions to Dean and get some technical input; whether there's anything in that survey that is missing. We need to understand, for instance, whether organizations have IPv6 skills either through their integrator or in-house. There is also a question to be included about purchasing decisions.

AP – Campbell & Simon to draft a set of survey questions & send to Dean for feedback. Have a one-pager ready for the steering group meeting.

Steering Group Meeting:

The following one-pagers are to be drafted for the SG meeting:

Draft Hui programme (Murray)

Draft comms plan (Campbell & Simon)

Draft survey questions (Campbell & Simon)

Revised action point list (Campbell).

A reminder about the meeting will be sent to the SG mailing list tomorrow, along with as many of the above papers as possible.

General:

Campbell to follow-up with Dean on the IPv6 technical stunt for the Hui.

INTERNET NEW ZEALAND
Executive Directors Office
Summary of Cash Funds
As at 31 March 2009

Financial Institution	Account	Term	Start	Maturity	Interest Rate	Amount
<u>NAB</u>						
ED Cheque Account						366,879.86
ED Savings Account						1,147.35
						368,027.21

Total Cash Invested 368,027.21

Internet New Zealand Incorporated - ED's Office
QB Balance Sheet
As of March 31, 2009

Mar 31, 2009

ASSETS

Current Assets

Current/Savings

160 · NBNZ Cheque Account	366,879.86
161 · NBNZ Savings Account	1,147.35
162 · Funds Xfer from Council	-943,956.24
Total Current/Savings	<u>-575,929.03</u>

Accounts Receivable

200 · Accounts Receivable	1,138.32
Total Accounts Receivable	<u>1,138.32</u>

Other Current Assets

218 · RWT	275.97
219 · Kiwi Saver Tax Credit	-3,405.68
Total Other Current Assets	<u>-3,129.71</u>
Total Current Assets	<u>-577,920.42</u>

TOTAL ASSETS -577,920.42

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

300 · Accounts Payable	63,181.74
Total Accounts Payable	<u>63,181.74</u>

Other Current Liabilities

305 · Accruals	2,400.00
324 · Tax Payable	-42,013.59
Total Other Current Liabilities	<u>-39,613.59</u>

Total Current Liabilities 23,568.15

Total Liabilities 23,568.15

Equity

Net Income -601,488.57

Total Equity -601,488.57

TOTAL LIABILITIES & EQUITY -577,920.42

Internet New Zealand Incorporated - ED's Office
Profit & Loss Budget vs. Actual
 April 2008 through March 2009

	TOTAL			
	Mar 2009	Budget	Apr '2008 - Mar 2009	Budget
2 Public Policy				
22 Public Policy Projects				
2200 BroadBand	-1,025.60		-1,025.60	
2203 Parliamentary Internet Cau	0.00	-1,222.76	0.00	-7,336.58
2204 Telecommunications Reform	0.00	-2,716.40	-98,145.16	-74,083.16
2205 Internet Regulatory Issues	0.00	-1,168.35	-34,967.76	-37,455.11
2208 Digital Copyright	-40.89		-40.89	
2209 Overseas Speakers	0.00	-1,528.46	0.00	-9,170.73
2211 Cyberlaw Fellowship	-26,122.00	-8,362.92	-70,289.65	-71,783.95
2212 Internet Patents	-840.00	-303.25	-5,040.00	-4,339.47
2213 Internet History	0.00	-321.65	-33,369.50	-34,299.39
2214 Fibre Campaign	0.00	-11,073.77	-118,333.21	-105,879.20
2215 Community FTTH Toolkit	0.00	-3,056.91	0.00	-18,341.46
2216 Consumer Comp Security Ed	0.00	-3,056.91	0.00	-18,341.46
2217 Digital Comm/Regional Net	0.00	-4,162.49	-10,958.35	-30,933.29
Total 22 Public Policy Projects	-28,028.49	-36,973.87	-372,170.12	-411,963.80
23 Related Organisations				
2301 Netsafe Sponsorship	0.00		-100,000.00	-100,000.00
2303 PIP Sponsorship	0.00	-1,778.12	-11,458.21	-21,126.92
2304 Netsafe Samoa	0.00	-2,445.53	0.00	-14,673.17
Total 23 Related Organisations	0.00	-4,223.65	-111,458.21	-135,800.09
24 Meetings				
2100 Public Policy Committee	0.00	-1,545.45	-2,360.99	-11,633.71
2207 ENUM Meetings	0.00	-2,445.53	0.00	-14,673.17
Total 24 Meetings	0.00	-3,990.98	-2,360.99	-26,306.88
Total 2 Public Policy	-28,028.49	-45,188.50	-485,989.32	-574,070.77
3 Technical Policy				
32 Technical Policy Projects				
3202 Certification Authority	0.00	-6,113.82	-702.41	-36,682.92
3203 NZCERT Scoping	0.00	-2,869.42	-2,061.33	-18,749.85
3204 Broadband Measurement	-128.00	-6,113.82	-245.12	-36,682.92
3206 IPV6	-319.00	-2,637.08	-16,093.96	-24,255.92
3207 Tech Capability Devt Fund	0.00	-3,948.46	-12,942.86	-31,399.49
3208 Best Practice	0.00	-4,891.06	0.00	-29,346.34
3209 Apnic Chch	0.00	0.00	-27,618.17	-36,473.65
3209 OOXML	0.00	0.00	-4,200.00	-4,200.00
3210 APRICOT	0.00		0.00	-11,004.88
Total 32 Technical Policy Projects	-447.00	-26,573.66	-63,863.85	-228,795.97
33 Related Organisations				
3302 ISOC Membership	0.00	-733.66	0.00	-4,401.95
3303 NZNOG Sponsorship	0.00		-10,000.00	-7,336.58

Internet New Zealand Incorporated - ED's Office
Profit & Loss Budget vs. Actual
 April 2008 through March 2009

	TOTAL			
	Mar 2009	Budget	Apr '2008 - Mar 2009	Budget
3310 WIP Sponsorship	0.00	-3,056.91	-25,170.01	-18,341.46
Total 33 Related Organisations	0.00	-3,790.57	-35,170.01	-30,079.99
Total 3 Technical Policy	-447.00	-30,364.23	-99,033.86	-258,875.96
4 ED Office				
41 Internal				
4101 APTLD Secretariat	0.00	0.00	-3,695.12	-6,628.09
41 Internal - Other	-79,902.13	-83,219.13	-364,832.68	-499,316.59
Total 41 Internal	-79,902.13	-83,219.13	-368,527.80	-505,944.68
44 Special Projects				
4401 Special Projects Fund	-15,854.67	-10,125.27	-33,048.28	-77,945.21
4402 Structural Review	0.00	0.00	-29,323.94	-29,323.94
4404 Liz Dengate Foundation	0.00	0.00	-30,789.70	-30,789.70
Total 44 Special Projects	-15,854.67	-10,125.27	-93,161.92	-138,058.85
Total 4 ED Office	-95,756.80	-93,344.40	-461,689.72	-644,003.53
Unclassified	0.00	0.00	445,224.33	0.00
TOTAL	-124,232.29	-168,897.13	-601,488.57	-1,476,950.26

Internet New Zealand Incorporated - ED's Office
Profit & Loss Budget vs. Actual
April 2008 through March 2009

	TOTAL			
	Mar 2009	Budget	Apr '2008 - Mar 2009	Budget
Income				
580 · Investment Income				
586 · Interest	1.30		701.60	
580 · Investment Income - Other	0.00	917.07	0.00	5,502.50
Total 580 · Investment Income	<u>1.30</u>	<u>917.07</u>	<u>701.60</u>	<u>5,502.50</u>
Total Income	1.30	917.07	701.60	5,502.50
Expense				
600 · Employment Expenses				
625 · Miscellaneous Staff Costs	0.00		355.56	
630 · Recruitment	0.00	917.07	0.00	5,502.44
635 · Staff Training	0.00	733.66	2,134.76	4,401.95
651 · Wages & Salaries				
651-01 · Kiwi Saver - Employer Cont	2,178.39		9,314.00	
651 · Wages & Salaries - Other	60,461.52	61,453.92	271,857.65	368,725.43
Total 651 · Wages & Salaries	<u>62,639.91</u>	<u>61,453.92</u>	<u>281,171.65</u>	<u>368,725.43</u>
653 · Wages - Casual & Temporary	0.00		600.00	
655 · Contracted Technical Services	9,380.00	6,113.82	26,221.66	36,682.92
Total 600 · Employment Expenses	<u>72,019.91</u>	<u>69,218.47</u>	<u>310,483.63</u>	<u>415,312.74</u>
700 · Project Expenses				
701 · Consultants	16,640.00	29,842.58	134,876.41	179,055.47
704 · Entertainment	0.00		20.00	
715 · General Project Costs	0.00		0.00	
730 · Legal Fees	0.00	425.91	1,000.00	2,555.48
735 · Meeting Costs	479.54	14,076.92	3,258.64	84,461.51
765 · Travel & Accom - National	7,867.18	8,577.60	23,255.92	51,465.59
770 · Travel & Accom - International	56.00	10,527.32	30,832.04	74,168.78
700 · Project Expenses - Other	0.00		0.00	445,224.33
Total 700 · Project Expenses	<u>25,042.72</u>	<u>63,450.33</u>	<u>193,243.01</u>	<u>836,931.16</u>
800 · Operating Expenses				
805 · Advertising	0.00	4,259.14	0.00	25,554.84
820 · General Office Expenses	31.11	45.95	891.32	275.70
845 · Promotion & Marketing	0.00	1,340.94	0.00	8,045.60
851 · Repairs and Maintenance	0.00	366.83	116.50	2,200.98
855 · Printing & Stationery	0.00	275.70	2,713.22	1,654.19
857 · Sponsorship	26,122.00	29,271.35	83,516.52	182,964.63
860 · Subscriptions	0.00	733.66	2,282.88	4,401.95
870 · Telecommunications	971.16		5,454.23	
885 · Web Site Updates & Hosting	0.00	851.83	12,990.00	5,110.97
Total 800 · Operating Expenses	<u>27,124.27</u>	<u>37,145.40</u>	<u>107,964.67</u>	<u>230,208.86</u>
900 · Overheads				
911 · Bank Charges	2.25		182.67	

Internet New Zealand Incorporated - ED's Office
Profit & Loss Budget vs. Actual
 April 2008 through March 2009

	TOTAL			
	Mar 2009	Budget	Apr '2008 - Mar 2009	Budget
917 · Conferences	44.44		1,175.59	
940 · General Communications	0.00		1,112.00	
950 · Insurance	0.00		470.00	
985 · Secretariat - APTLD	0.00	0.00	-12,441.40	0.00
Total 900 · Overheads	46.69	0.00	-9,501.14	0.00
Total Expense	124,233.59	169,814.20	602,190.17	1,482,452.76
Net Income	<u>-124,232.29</u>	<u>-168,897.13</u>	<u>-601,488.57</u>	<u>-1,476,950.26</u>

Interim Management Committee Report to June Council Meeting

Author: Frank March

Status of Paper: Final

Purpose of Paper: To report on the activities of the Interim Management Committee (IMC), and to

Summary of IMC minutes:

The Interim Management Committee was set up by the March meeting of Council. The authorising minute from the teleconference meeting of 17 April reads:

RN 24/09: THAT Council appoints an Interim Management Committee comprised of Frank March, Jamie Baddeley, Donald Clark and Neil James.

The meeting also authorised the employment of Richard Currey as Acting CEO.

What follows is a brief summary of IMC decisions. IMC minutes have already been circulated to Council.

The IMC held its first meeting immediately following the Council meeting with Frank March as Chair and agreed that:

1. Frank would develop a draft ToR for the interim Management Committee (MC), circulate draft to the MC, then to Council for ratification.
2. Pete would be asked to approach the Employment Legal Advisor Geoff Devonport to draft a contract for the Acting CEO.

The IMC held a face to face meeting on 21 April and conducted a formal interview with Richard Currey. It was agreed that:

1. Richard would be employed on a contract for an initial period of three months (renewable) and would be expected to work three days per week after an initial settling in period.
2. A communication strategy would be put in place to announce the appointment to staff and to members.
3. Draft TOR were circulated and it was agreed to finalise these online.

The third IMC meeting was held on 27 May. The meeting was predominantly concerned with receiving a number of reports from Richard as Acting CEO. It was agreed that:

1. Richard would present a number of reports to Council covering the financial position of the group and plans for consolidating the accounts, proposals for reform of the IT system and its management, and future accommodation.
2. A number of structural options will be presented to Council for discussion.

Interim Management Committee Terms of Reference:

Background:

Through an oversight the draft TOR as agreed by the IMC were not circulated to Council for approval as requested by the March meeting. They are presented here (below) and Council will be formally asked to approve them.

Acting CEO Contract

Richard has undertaken more work than was originally envisaged. The IMC has agreed that it is appropriate for him to be working an average of four days per week and forewarns that his contract may need to be extended to five months.

Terms of Reference:

Purpose

The Interim Management Committee (IMC) has been established as an oversight committee by the Council of the Internet Society of New Zealand (InternetNZ) pending future decisions about the management structure for InternetNZ.

The IMC is not a decision making body; it makes recommendations to Council. It has no standing formal delegated powers from Council to act on behalf of InternetNZ, although it may seek, or be pro-actively granted, specific delegations from time to time.

It is the interim Chief Executive, and not IMC that is a replacement for the Executive Board.

Composition

The Committee is appointed by the InternetNZ Council. It will consist of four members: the Vice President of InternetNZ ex officio and three members of Council.

Term of Appointment

The IMC is formed as a temporary committee to oversee the transition from the Executive Board to a new reporting structure. It will be disestablished when Council agrees the transition is complete.

Role

The Committee's role, on behalf of Council, is to employ the interim Chief Executive and to provide quality governance and leadership to ensure that the activities of the Society under the auspices of the acting Chief Executive (i.e. excluding those business areas run by the NZRS, DNCL) achieve their purpose and strategic goals while avoiding unacceptable actions and situations which would prevent or impede their achievement.

This will require the Committee to:

- Monitor direction and boundaries for the functions of the interim Chief Executive.
- Assure itself of the performance of the interim Chief Executive.
- Act as a sounding-board for the interim Chief Executive
- Ensure effective communication between the interim Chief Executive, IMC members and Council

Approach

The Committee will work with an emphasis on:

- outward vision rather than inward focus
- leadership and guidance rather than administrative detail
- collective rather than individual decisions
- future focus
- a clear distinction between the roles of the Committee on the one hand, and the interim Chief Executive reporting to it.

Ethics and Proper Practice

The Committee is committed to ethical conduct in all areas of its responsibilities and authority.

This means that members as individuals will:

- act honestly and in good faith at all times in the best interests of InternetNZ
- carry out their duties and responsibilities in a lawful and business-like manner, and ensure that the operating units carry out their business likewise
- avoid conflicts of interest in as far as this is possible, and where such conflicts arise, will act within the Committee's Conflicts of Interest policy set out below
- attend Committee meetings and devote sufficient time to preparation for Committee meetings to allow for full and appropriate participation in the Committee's decision making
- observe the confidentiality of non-public information acquired by them in their role as Committee members, and not disclose information that might be harmful to InternetNZ
- interact with the Committee and staff in a positive and constructive manner
- be loyal to the collective nature of the Committee, abiding by Committee decisions once reached
- not do anything that in any way denigrates InternetNZ or harms its image.

Recommendation:

Vice President/Cr James

THAT Council approves the Interim Management Committee Terms or Reference as provided in the Interim Management Committee report to Council.

Full report title: Chief Executive's Report to June Council Meeting

Author: Richard Currey

Status of Paper: Final

Purpose of Paper: To provide an update on the activities of InternetNZ

Financial Status:

The Annual Report has been finalised by Curtis McLean and is available for approval at this Council Meeting. The initial draft of the Audit report has been received from Grant Thornton, and is currently being reviewed by staff.

Expenses for the combined Policy/SSU/Council group for April 2009 were \$221,000 which is within budget – see attached report.

Work is underway on a review of the 2009/10 budgets following the dissolution of the EB and the appointment of the Acting Chief Executive.

A review of the accounting structure has been completed and will result in more streamlined accounting procedures and more detailed reporting, in future months. Monthly reports will be available that provide analysis of costs detailed by operations, workstreams and grants/sponsorships.

A review of the Financial Reserves Policy is required.

Workstreams:

Significant work continues to go into a number of key workstreams: IPv6 Hui, Copyright, Fibre/Broadband, IP interconnection. A number of workshops are planned with staff to review current workstreams and to develop a 'hit list' of high priority areas to target over the next 12 months. A detailed workstream review will be presented to the next Council meeting.

Staff update:

A review of staffing within the SSU demonstrated that it would be cost effective to employ another staff member and release a Contractor. Consequently we are delighted that Laura Turnbull has been promoted to an Administration Support role and Alice Jones has joined us in the role of Receptionist/Office Junior.

Premises:

A review of the cost of renewing the current lease has been completed and alternative Premises options have been assessed. A separate paper has been prepared for Council to discuss; this is commercially sensitive and will be distributed at the Council meeting.

IT:

In conjunction with NZRS a review of the INZ Group's internal IT requirements is underway. Areas being focussed on are: Support, Network, Calendaring, and Document Management.

Sponsorships/Grants:

InternetNZ continues to receive a number of requests for funding of Internet related projects/organisations. It is critical that InternetNZ has a robust process for assessing the suitability of funding requests and has a consistent approach to analysis. Additional work needs to be done in this area to achieve this outcome.

Membership update:

InternetNZ membership as at 11 June 2009:

Fellows: 14

Individual: 110

Professional Individual: 47

Small Organisation: 31

Large Organisation: 8

Total membership: 210

Structure:

I have met with a number of Society members and staff to discuss possible structural changes for InternetNZ. A report on Structural options will be presented at the next Council meeting.

Recommendation:

THAT the Chief Executive's Report be received.

Richard Currey
Chief Executive

Internet NZ Profit & Loss Budget vs. Actual April 2009

	Apr 2009	Budget	\$ Over Budget
6 SSU	-36,257.81	-44,492.28	8,234.47
7 Council & Members			
73 Members	156.00	-2,708.37	2,864.37
7 Council & Members - Other	-18,732.41	-42,420.87	23,688.46
Total 7 Council & Members	-18,576.41	-45,129.24	26,552.83
2 Work Streams			
Unconstrained Broadband	0.00	-6,250.00	6,250.00
Telco Regulatory Reforms	-2,195.00	-4,583.37	2,388.37
Securing the DNS	0.00	-416.63	416.63
Regulatory Issues/Submissions	0.00	-4,583.37	4,583.37
Parliamentary Internet Caucus	0.00	-208.37	208.37
Major Intl Policy Forum	0.00	-1,666.63	1,666.63
Legal Jurisdiction Issues Semin	0.00	-1,666.63	1,666.63
ISOC Membership	0.00	-750.00	750.00
IPV6	0.00	-1,666.63	1,666.63
Internet Patents Monitoring	0.00	-458.37	458.37
History of the Internet	0.00	-416.63	416.63
Digital/Reigonal Communities	0.00	-1,666.63	1,666.63
Copyright	0.00	-3,333.37	3,333.37
Best Practice Programme	0.00	-1,666.63	1,666.63
BB Consumer Access/Availability	0.00	-1,666.63	1,666.63
APTLD Secretariat	-80.57	-833.37	752.80
Total 2 Work Streams	-2,275.57	-31,833.26	29,557.69
3 Sponsorship			
World Internet Project	0.00	-2,083.37	2,083.37
Unallocated (Int'net Prod Grow)	0.00	-3,333.37	3,333.37
APRICOT	0.00	-625.00	625.00
Presentations for Partners	0.00	-416.63	416.63
Pacific Internet Partnership	0.00	-1,250.00	1,250.00
Overseas Speakers to NZ	0.00	-625.00	625.00
NZNOG Trust	0.00	-833.37	833.37
NZ Open Source Awards	0.00	-625.00	625.00
Netsafe Strategic Partnership	-100,000.00	-100,000.00	0.00
Maori ICT Achievement	0.00	-833.37	833.37
ICT Carreers/Skills Devlopment	0.00	-833.37	833.37
Cyberlaw Fellowship	-198.01	-7,500.00	7,301.99
Broadband Measurement	0.00	-4,166.63	4,166.63
"linux.conf.au"	-20,000.00	-20,000.00	0.00
Total 3 Sponsorship	-120,198.01	-143,125.11	22,927.10
4 Policy Operations	-43,894.27	-74,937.50	31,043.23
TOTAL	-221,202.07	-339,517.39	118,315.32

Internet NZ - INZ
Profit & Loss Budget vs. Actual
April 2009

	<u>Apr 2009</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
500 · Operating Income			
542 · Membership - Corporate	100.00		
546 · Membership - Individual	56.00		
Total 500 · Operating Income	156.00		
570 · Sundry Income	0.00	17,964.93	-17,964.93
580 · Investment Income			
586 · Interest	-2,016.15		
Total 580 · Investment Income	-2,016.15		
Total Income	-1,860.15	17,964.93	-19,825.08
Expense			
600 · Remuneration			
601 · ACC Levy	0.00	281.69	-281.69
630 · Recruitment	0.00	1,250.00	-1,250.00
635 · Staff Training	0.00	1,453.37	-1,453.37
651 · Wages & Salaries			
651-01 · Kiwi Saver - Employer Cont	1,553.78	209.13	1,344.65
651 · Wages & Salaries - Other	42,102.55	54,625.00	-12,522.45
Total 651 · Wages & Salaries	43,656.33	54,834.13	-11,177.80
653 · Wages - Casual & Temporary	0.00	1,500.00	-1,500.00
654 · Wages - Contractors	15,765.00	17,086.63	-1,321.63
655 · Contracted Technical Services	968.89	4,580.00	-3,611.11
Total 600 · Remuneration	60,390.22	80,985.82	-20,595.60
800 · Operating Expenses			
801 · Accountancy Fees	-15,000.00	2,250.00	-17,250.00
805 · Advertising & Marketing	0.00	2,170.00	-2,170.00
808 · Audit Fees	-3,000.00		
809 · Bank Charges	152.02	120.00	32.02
811 · Conferences	995.00	1,000.00	-5.00
813 · Consultants	10,200.00	1,000.00	9,200.00
816 · Depreciation	4,160.00	4,500.00	-340.00
817 · Domain Names	66.96	833.37	-766.41
818 · Entertainment	18.67	508.26	-489.59
820 · General Office Expenses	596.93	3,000.00	-2,403.07
822 · Governance Training	0.00	416.63	-416.63
824 · Honoraria	15,225.00	34,537.50	-19,312.50
826 · Legal Fees	0.00	1,333.37	-1,333.37
829 · Meeting Costs	617.01	1,825.00	-1,207.99
835 · Postages & Couriers	1,230.67	500.00	730.67
851 · Repairs and Maintenance	1,150.00	1,910.00	-760.00
855 · Printing & Stationery	724.71	2,836.63	-2,111.92
856 · Special Projects	0.00	6,083.37	-6,083.37

Internet NZ - INZ
Profit & Loss Budget vs. Actual
April 2009

	<u>Apr 2009</u>	<u>Budget</u>	<u>\$ Over Budget</u>
857 · Sponsorship	120,000.00		
860 · Subscriptions	320.00	783.37	-463.37
870 · Telecommunications	7,337.06	7,750.00	-412.94
872 · Travel & Accom - International	0.00	3,333.37	-3,333.37
873 · Travel & Accom - National	2,954.22	5,413.37	-2,459.15
885 · Web Site Updates & Hosting	0.00	1,675.00	-1,675.00
899 · Workstream Budget	0.00	169,958.37	-169,958.37
Total 800 · Operating Expenses	<u>147,748.25</u>	<u>253,737.61</u>	<u>-105,989.36</u>
900 · Overheads			
915 · Cleaning Costs	245.19	800.00	-554.81
933 · Electricity	0.00	1,075.00	-1,075.00
950 · Insurance	838.40	1,083.37	-244.97
970 · Rates	508.25		
975 · Rent Paid	9,531.04	11,942.15	-2,411.11
980 · Security	0.00	150.00	-150.00
985 · Secretariat - APTLD	80.57		
989 · Sundry Expenses	0.00	2,708.37	-2,708.37
900 · Overheads - Other	0.00	5,000.00	-5,000.00
Total 900 · Overheads	<u>11,203.45</u>	<u>22,758.89</u>	<u>-11,555.44</u>
Total Expense	<u>219,341.92</u>	<u>357,482.32</u>	<u>-138,140.40</u>
Net Income	<u><u>-221,202.07</u></u>	<u><u>-339,517.39</u></u>	<u><u>118,315.32</u></u>

Internet NZ - SSU
Profit & Loss Budget vs. Actual
April 2009

	<u>Apr 2009</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
570 · Sundry Income	0.00	17,964.93	-17,964.93
Total Income	0.00	17,964.93	-17,964.93
Expense			
600 · Remuneration			
601 · ACC Levy	0.00	115.06	-115.06
630 · Recruitment	0.00	416.63	-416.63
635 · Staff Training	0.00	833.37	-833.37
651 · Wages & Salaries			
651-01 · Kiwi Saver - Employer Cont	101.52	209.13	-107.61
651 · Wages & Salaries - Other	5,794.87	12,958.37	-7,163.50
Total 651 · Wages & Salaries	5,896.39	13,167.50	-7,271.11
653 · Wages - Casual & Temporary	0.00	1,500.00	-1,500.00
654 · Wages - Contractors	11,265.00	8,229.13	3,035.87
Total 600 · Remuneration	17,161.39	24,261.69	-7,100.30
800 · Operating Expenses			
801 · Accountancy Fees	-15,000.00	2,250.00	-17,250.00
805 · Advertising & Marketing	0.00	500.00	-500.00
809 · Bank Charges	89.72	70.00	19.72
811 · Conferences	0.00	500.00	-500.00
813 · Consultants	9,000.00	1,000.00	8,000.00
816 · Depreciation	4,160.00	4,500.00	-340.00
817 · Domain Names	66.96	833.37	-766.41
818 · Entertainment	18.67	341.63	-322.96
820 · General Office Expenses	565.82	3,000.00	-2,434.18
826 · Legal Fees	0.00	500.00	-500.00
829 · Meeting Costs	149.00	200.00	-51.00
835 · Postages & Couriers	1,230.67	250.00	980.67
851 · Repairs and Maintenance	1,150.00	1,500.00	-350.00
855 · Printing & Stationery	724.71	2,000.00	-1,275.29
860 · Subscriptions	0.00	450.00	-450.00
870 · Telecommunications	4,190.04	5,500.00	-1,309.96
873 · Travel & Accom - National	1,627.95		
Total 800 · Operating Expenses	7,973.54	23,395.00	-15,421.46
900 · Overheads			
915 · Cleaning Costs	245.19	800.00	-554.81
933 · Electricity	0.00	1,075.00	-1,075.00
950 · Insurance	838.40	833.37	5.03
970 · Rates	508.25		
975 · Rent Paid	9,531.04	11,942.15	-2,411.11
980 · Security	0.00	150.00	-150.00
Total 900 · Overheads	11,122.88	14,800.52	-3,677.64

Internet NZ - SSU
Profit & Loss Budget vs. Actual
April 2009

	<u>Apr 2009</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Total Expense	<u>36,257.81</u>	<u>62,457.21</u>	<u>-26,199.40</u>
Net Income	<u><u>-36,257.81</u></u>	<u><u>-44,492.28</u></u>	<u><u>8,234.47</u></u>

**Internet NZ - Council and Members
Profit & Loss Budget vs. Actual
April 2009**

	<u>Apr 2009</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
500 · Operating Income			
542 · Membership - Corporate	100.00		
546 · Membership - Individual	56.00		
Total 500 · Operating Income	<u>156.00</u>		
580 · Investment Income			
586 · Interest	<u>-2,017.09</u>		
Total 580 · Investment Income	<u>-2,017.09</u>		
Total Income	-1,861.09		
Expense			
800 · Operating Expenses			
808 · Audit Fees	-3,000.00		
809 · Bank Charges	40.80	50.00	-9.20
818 · Entertainment	0.00	166.63	-166.63
822 · Governance Training	0.00	416.63	-416.63
824 · Honoraria	15,225.00	34,537.50	-19,312.50
826 · Legal Fees	0.00	833.37	-833.37
829 · Meeting Costs	270.00	1,000.00	-730.00
835 · Postages & Couriers	0.00	250.00	-250.00
855 · Printing & Stationery	0.00	416.63	-416.63
860 · Subscriptions	0.00	333.37	-333.37
870 · Telecommunications	2,853.25	1,250.00	1,603.25
872 · Travel & Accom - International	0.00	833.37	-833.37
873 · Travel & Accom - National	1,326.27	2,083.37	-757.10
Total 800 · Operating Expenses	<u>16,715.32</u>	<u>42,170.87</u>	<u>-25,455.55</u>
900 · Overheads			
950 · Insurance	0.00	250.00	-250.00
Total 900 · Overheads	<u>0.00</u>	<u>250.00</u>	<u>-250.00</u>
Total Expense	<u>16,715.32</u>	<u>42,420.87</u>	<u>-25,705.55</u>
Net Income	<u><u>-18,576.41</u></u>	<u><u>-42,420.87</u></u>	<u><u>23,844.46</u></u>

Internet NZ - Policy Operations
Profit & Loss Budget vs. Actual
April 2009

	<u>Apr 2009</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
580 · Investment Income			
586 · Interest	0.94		
Total 580 · Investment Income	<u>0.94</u>		
Total Income	0.94		
Expense			
600 · Remuneration			
601 · ACC Levy	0.00	166.63	-166.63
630 · Recruitment	0.00	833.37	-833.37
635 · Staff Training	0.00	620.00	-620.00
651 · Wages & Salaries			
651-01 · Kiwi Saver - Employer Cont	1,452.26		
651 · Wages & Salaries - Other	<u>36,307.68</u>	<u>41,666.63</u>	<u>-5,358.95</u>
Total 651 · Wages & Salaries	<u>37,759.94</u>	<u>41,666.63</u>	<u>-3,906.69</u>
654 · Wages - Contractors	4,500.00	8,857.50	-4,357.50
655 · Contracted Technical Services	<u>968.89</u>	<u>4,580.00</u>	<u>-3,611.11</u>
Total 600 · Remuneration	<u>43,228.83</u>	<u>56,724.13</u>	<u>-13,495.30</u>
800 · Operating Expenses			
805 · Advertising & Marketing	0.00	1,670.00	-1,670.00
809 · Bank Charges	21.50		
811 · Conferences	0.00	500.00	-500.00
820 · General Office Expenses	31.11		
829 · Meeting Costs	0.00	625.00	-625.00
851 · Repairs and Maintenance	0.00	410.00	-410.00
855 · Printing & Stationery	0.00	420.00	-420.00
856 · Special Projects	0.00	6,083.37	-6,083.37
860 · Subscriptions	320.00		
870 · Telecommunications	293.77	1,000.00	-706.23
872 · Travel & Accom - International	0.00	2,500.00	-2,500.00
873 · Travel & Accom - National	0.00	3,330.00	-3,330.00
885 · Web Site Updates & Hosting	<u>0.00</u>	<u>1,675.00</u>	<u>-1,675.00</u>
Total 800 · Operating Expenses	<u>666.38</u>	<u>18,213.37</u>	<u>-17,546.99</u>
Total Expense	<u>43,895.21</u>	<u>74,937.50</u>	<u>-31,042.29</u>
Net Income	<u><u>-43,894.27</u></u>	<u><u>-74,937.50</u></u>	<u><u>31,043.23</u></u>

Audit Report

To the Members and Stakeholders of
Internet New Zealand Incorporated
and its subsidiaries

We have audited the financial report on pages 2 to 17. The financial report provides information about the past financial performance of Internet New Zealand Incorporated and its subsidiaries (the Society and Group) and their financial position as at 31 March 2009. This information is stated in accordance with the accounting policies set out on pages 7 to 11.

Council's Responsibilities

The Council is responsible for the preparation of a financial report which fairly reflects the financial position of the Society and Group as at 31 March 2009 and the results of operations for the year ended on that date.

Auditor's Responsibilities

It is our responsibility to express to you an independent opinion on the financial report presented by the Council.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Council in the preparation of the financial report; and
- whether the accounting policies are appropriate to the Society and Group's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society and Group.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion the financial report on pages 2 to 17 fairly reflects the financial position of the Society and Group and the results of operations for the year ended on that date.

Our audit was completed on 5 June 2009 and our unqualified opinion is expressed as at that date.

GRANT THORNTON
WELLINGTON
8 June 2009

Internet New Zealand Incorporated
Annual Report
For the Year Ended 31st March 2009

Prepared By

Curtis McLean Limited
Chartered Accountants
Wellington NZ

Annual Report
For the Year Ended 31st March 2009

Schedule of Contents

	Page
- Annual Report	1
- Income Statement	2
- Statement of Changes in Equity	3
- Balance Sheet	4
- Statement of Cashflows	5-6
- Accounting Policies	7-12
- Notes to the Financial Statements	13-17
- Audit Report	18-19

Annual Report
For the Year Ended 31st March 2009

Financial Result

The Group Net Profit for the year, after taxation, was \$813,887 (2008 \$590,928).

	2009		2008	
	Parent	Group	Parent	Group
Retained Earnings as at 1 April	2,333,707	5,897,379	2,493,607	5,306,451
Net Profit (Loss) After Taxation	(166,995)	813,887	(159,900)	590,928
Retained Earnings as at 31st March	<u>\$2,166,712</u>	<u>\$6,711,266</u>	<u>\$2,333,707</u>	<u>\$5,897,379</u>

Dividend

Dividends of \$2,112,000 were received from New Zealand Domain Name Registry Limited, a wholly owned company, for the year ended 31st March 2009 (2008 \$1,700,000).

Remuneration of Council

During the year Council received the following remuneration:

Fees Paid

Peter Macaulay - President	24,000
Frank March - Vice President	10,500
Jamie Baddeley	7,250
Scott Bartlett	769
Liz Butterfield	7,250
Stewart Fleming	7,250
Michael Foley	7,250
Neil James	6,000
Hamish MacEwan	7,250
Jonny Martin	7,250
Carl Penwarden	1,250
Sam Sargeant	2,400
Judy Speight	7,250
Chris Streatfield	9,000
Michael Wallmannsberger	9,450

\$114,119

For and on Behalf of the Council

_____ **President**

_____ **Vice President**

_____ **Date**

Internet New Zealand Incorporated
Income Statement
For the Year Ended 31st March 2009

	Note	2009		2008	
		Parent	Group	Parent	Group
Management Fees		-	-	996,000	-
Registry Fees		-	6,361,318	-	6,072,686
Other Income		41,557	159,696	92,560	184,031
		<u>41,557</u>	<u>6,521,014</u>	<u>1,088,560</u>	<u>6,256,717</u>
Less Expenses					
Registry Services		-	1,702,246	-	1,423,371
Domain Name Commission		-	659,618	622,790	622,790
Public Policy		507,788	507,788	503,576	503,576
Society		987,641	965,060	738,927	738,927
Technical Leadership		99,034	99,034	173,964	173,964
Audit Fees		6,401	25,105	8,250	22,645
Employee Remuneration		639,771	1,494,540	849,275	1,217,768
Finance Cost		45,074	51,134	-	-
Depreciation & Amortisation	5,6	31,076	208,470	31,040	193,631
Rent		46,212	214,958	114,097	218,838
		<u>2,362,997</u>	<u>5,927,953</u>	<u>3,041,919</u>	<u>5,115,510</u>
Net Operating Profit		(2,321,440)	593,061	(1,953,359)	1,141,207
Plus:					
Dividend Income		2,112,000	-	1,700,000	-
Interest		42,445	660,396	93,459	661,109
		<u>2,154,445</u>	<u>660,396</u>	<u>1,793,459</u>	<u>661,109</u>
Net Profit (Loss) Before Taxation		(166,995)	1,253,457	(159,900)	1,802,316
Less:					
Income Tax Expense	1	-	439,570	-	1,211,388
		<u>-\$166,995</u>	<u>\$813,887</u>	<u>(\$159,900)</u>	<u>\$590,928</u>
Net Profit (Loss) After Tax		(\$166,995)	\$813,887	(\$159,900)	\$590,928

Internet New Zealand Incorporated
Statement of Changes in Equity
For the Year Ended 31st March 2009

	Note	2009		2008	
		Parent	Group	Parent	Group
Retained Earnings					
Opening Retained Earnings		2,333,707	5,897,379	2,493,607	5,306,451
Plus:					
Net Profit (Loss) After Taxation		(166,995)	813,887	(159,900)	590,928
Retained Earnings as at 31st March		<u>\$2,166,712</u>	<u>\$6,711,266</u>	<u>\$2,333,707</u>	<u>\$5,897,379</u>

Internet New Zealand Incorporated
Balance Sheet
As At 31st March 2009

	Note	2009		2008	
		Parent	Group	Parent	Group
Current Assets					
Cash and Cash Equivalents	3	1,518,686	9,983,001	2,522,489	9,437,896
Other Current Assets	4	104,436	1,377,158	84,308	978,012
Total Current Assets		1,623,122	11,360,159	2,606,797	10,415,908
Property, Plant & Equipment	5	67,579	339,451	58,444	356,486
Investments					
Shares in Subsidiary		610,000	-	30,000	-
Hector's World Limited Loan	9	94,926	94,926	-	-
Total Investments		704,926	94,926	30,000	-
Intangible Assets	6	3,955	22,619	2,724	31,369
Total Assets		2,399,582	11,817,155	2,697,965	10,803,763
Less Liabilities:					
Current Liabilities					
Deferred Income - Current		-	3,156,877	-	3,024,184
Trade and Other Payables	7	232,870	633,841	364,258	681,631
Total Current Liabilities		232,870	3,790,718	364,258	3,705,815
Term Liabilities					
Deferred Income	12	-	1,315,171	-	1,200,569
Total Liabilities		232,870	5,105,889	364,258	4,906,384
Net Assets		\$2,166,712	\$6,711,266	\$2,333,707	\$5,897,379
Represented by:					
Total Equity		\$2,166,712	\$6,711,266	\$2,333,707	\$5,897,379

For and on Behalf of the Council

President

Vice President

Date

Internet New Zealand Incorporated
Statement of Cash Flows
For the Year Ended 31st March 2009

	2009		2008	
	Parent	Group	Parent	Group
Cash Flows From Operating Activities				
Cash was Provided From				
Net Receipts from Customers	-	6,705,928	1,056,908	6,548,970
Net GST Received	-	20,193	-	-
Interest Received	<u>55,722</u>	<u>656,048</u>	<u>83,950</u>	<u>610,743</u>
	55,722	7,382,169	1,140,858	7,159,713
Cash was Distributed To:				
Payments to Suppliers and Employees	2,403,160	5,742,337	2,988,292	4,845,969
Payment of Taxation	1,989	772,041	-	1,318,618
Net GST Paid	<u>4,934</u>	<u>-</u>	<u>16,233</u>	<u>35,989</u>
	2,410,083	6,514,378	3,004,525	6,200,576
Net Flows Operating Activities	(2,354,361)	867,791	(1,863,667)	959,137
Cash Flows From Investing & Financing Activities				
Cash was Provided From				
Dividend Received	2,112,000	-	1,700,000	-
Share Redemption	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>-</u>
	2,112,000	-	2,100,000	-
Cash was Distributed To:				
Shares in Subsidiary	580,000	-	-	-
Loan to Hectors World	140,000	140,000	-	-
Purchase of Fixed Assets & Software	<u>41,442</u>	<u>182,686</u>	<u>30,655</u>	<u>209,102</u>
	761,442	322,686	30,655	209,102
Net Cash Flows From Investing Activities	1,350,558	(322,686)	2,069,345	(209,102)
Net Increase (Decrease) In Cash Held	(1,003,803)	545,105	205,678	750,035
Add: Opening Cash Balance	<u>2,522,489</u>	<u>9,437,896</u>	<u>2,316,811</u>	<u>8,687,861</u>
Closing Cash Carried Forward	<u>1,518,686</u>	<u>9,983,001</u>	<u>\$2,522,489</u>	<u>\$9,437,986</u>
Closing Cash Comprises				
Cash and Cash Equivalents	<u>1,518,686</u>	<u>9,983,001</u>	<u>\$2,522,489</u>	<u>\$9,437,986</u>
Total Closing Cash	<u>\$1,518,686</u>	<u>\$9,983,001</u>	<u>\$2,522,489</u>	<u>\$9,437,986</u>

Internet New Zealand Incorporated
Statement of Cash Flows (Continued)
For the Year Ended 31st March 2009

Cash Flow Reconciliation

	2009		2008	
	Parent	Group	Parent	Group
Net Profit (Loss) After Taxation	(166,995)	813,887	(159,900)	590,928
Add/(deduct) Non - cash items				
Finance Cost	45,074	45,074	-	-
Depreciation	28,848	195,713	29,749	173,278
Amortisation	2,228	12,757	1,291	20,353
	76,150	253,544	31,040	193,631
Movement in working capital				
(increase)/decrease in receivables	(48,354)	(69,178)	(39,621)	(51,472)
(increase)/decrease in GST receivable	(4,934)	11,590	-	-
increase/(decrease) accounts payable	(131,388)	(78,054)	22,587	60,687
increase/(decrease) interest receivable	13,277	(4,348)	(9,509)	(50,367)
increase/(decrease) tax provision	(1,989)	(332,471)	-	(107,228)
increase/(decrease) prepayments	21,872	25,526	-	(4,534)
increase/(decrease) deferred income	-	247,295	(8,264)	327,492
	(151,516)	(199,640)	(34,807)	174,578
Dividend Received	(2,112,000)	-	(1,700,000)	-
Net Cash Flow Operations (as per Cash Flow Statement)	<u>\$(2,354,361)</u>	<u>\$867,791</u>	<u>\$(1,863,667)</u>	<u>\$959,137</u>

Accounting Policies
For the Year Ended 31st March 2009

Significant Accounting Policies

Internet New Zealand Incorporated ("INZ") is a society domiciled in New Zealand. The consolidated financial statements of INZ for the year ended 31st March 2009 comprise INZ and its subsidiaries (together referred to as the "Group"). The financial statements were authorised for issue by the councillors.

The principal activity of INZ is to keep the Internet open and uncaptureable, protecting and promoting the Internet for New Zealand.

(a) Statement of compliance

The Group financial statements have been prepared on the basis of being a public benefit entity. Adjustments have been made where appropriate to any profit orientated subsidiaries to restate accounting policies to those of a public benefit entity.

These financial statements are prepared in compliance with New Zealand generally accepted accounting practice (NZ GAAP) complying with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The Group qualifies for Differential Reporting because it is not publicly accountable and does not qualify as a large entity as defined in the framework for Differential Reporting by the New Zealand Institute of Chartered Accountants. The Group has not taken advantage of any of the Differential Reporting Exemptions.

The group is a reporting entity for the purposes of the Financial Reporting Act 1993 and its financial statements comply with that Act.

(b) Basis of preparation

The financial statements are presented in New Zealand dollars. They are prepared on a historical cost basis except for investments which are stated at their fair value.

The preparation of financial statements in conformity with NZ IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

The accounting policies have been consistently applied by Group entities.

Accounting Policies
For the Year Ended 31st March 2009

(c) Basis of Consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being INZ (the parent entity) and its subsidiaries as defined in NZ IAS-27 "Consolidated and Separate Financial Statements". A list of subsidiaries appears in note 10 to the financial statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

In preparing the consolidated financial statements, all interentity balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

(d) Employee entitlements

The provisions for employee entitlements to wages, salaries, annual leave and long service leave payments represent the amount for which there is a present obligation to pay resulting from employees' services provided up to balance date.

(e) Financial assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Loans and receivables

These are financial assets with fixed or determinable payments that are not quoted in an active market. After recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is realised or impaired are recognised in the income statement.

(f) Financial instruments issued by the company

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Interest and dividends

Interest and dividends are classified as expenses or as distributions of profit consistent with the balance sheet classification of the related debt or equity instruments or component parts of compound instruments.

(g) Foreign currency

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise.

(h) Goods and Services Tax

All amounts are shown exclusive of Goods and Services Tax (GST) except for trade debtors, receivables and payables that are stated inclusive of GST.

Accounting Policies
For the Year Ended 31st March 2009

(i) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of the value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at a fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at a fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(j) Income Tax**Current tax**

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Current tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the current tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

Deferred Tax

Deferred tax is provided using the balance sheet liability method, providing temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

- differences relating to goodwill not deductible for tax purposes,
- the initial recognition of assets or liabilities that affect neither the accounting nor taxable profit,
- investments in subsidiaries to the extent they will probably not reverse in the foreseeable future.

Accounting Policies
For the Year Ended 31st March 2009

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Internet New Zealand Inc is registered as a charity in terms of the Charities Act 2005. The wholly owned subsidiaries, New Zealand Domain Name Registry Limited and Domain Name Commission Limited were registered as charities in terms of the Charities Act 2005 with effect from 19 August 2008 and 10 October 2008 respectively.

(k) Intangible assets

Trademarks

Trademarks are finite life tangibles and are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful lives of 7 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

Software

Software is a finite life intangible asset and is recorded at cost less accumulated amortisation. Amortisation is charged on a diminishing value basis over the estimated useful life.

(l) Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the consolidated entity's general policy on borrowing costs.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(m) Payables

Trade payables and other accounts payable are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services.

(n) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost as deemed cost less accumulated depreciation and impairment losses, see accounting policy (i).

(ii) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. The owner-occupied property acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses, see accounting policy (j). Lease payments are accounted for as described in accounting policy (o).

(iii) Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

Accounting Policies
For the Year Ended 31st March 2009

(iv) Depreciation

Depreciation is charged on a diminishing value or straight line basis on all property, plant and equipment over the estimated useful life. Depreciation is charged to the Income Statement. The principal rates used to calculate depreciation are -

Leasehold Improvements	11.4 - 31.2% DV
Furniture & Fittings	11.4 - 48.0% DV
Office Equipment	9.6 - 80.4% DV or SL
Computer Hardware	31.2 - 80.4% DV

(o) Provisions

Provisions are recognised when the consolidated entity has a present obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

(p) Revenue recognition**Rendering of services**

Revenue from a contract to provide services is recognised when the services are performed.

Dividend and interest revenue

Dividend revenue from investments is recognised when the shareholders' rights to receive payment have been established. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Notes To The Financial Statements
For the Year Ended 31st March 2009

	2009		2008	
	Parent	Group	Parent	Group
1. Income Tax				
Profit/(loss) from Operations	(166,995)	1,279,774	(159,900)	1,802,318
Non-Deductible Expenses	10,933	17,759	2,949	17,228
Imputation Credits Received	<u>346,746</u>	-	<u>837,313</u>	-
Taxable Profit/(Loss)	190,684	1,297,533	680,362	1,819,546
Income Tax at 30% (2008 33%)	57,205	389,260	224,519	600,450
Imputation Credits Received	<u>(346,746)</u>	-	<u>(837,313)</u>	-
	(289,541)	389,260	(612,794)	600,450
Losses from previous year	(2,002,988)	(2,001,132)	(1,390,194)	(1,390,194)
Losses forfeited on charitable status	2,292,529	1,172,302	-	-
Transfer to losses to Carry Forward	<u>-</u>	<u>-</u>	<u>2,002,988</u>	<u>2,001,132</u>
	-	(439,570)	-	1,211,388

The Net Profit of the subsidiaries was taxable to the date they were granted charitable status. The entire group now has charitable status and is exempt from income tax.

Current Tax Assets and Liabilities

Current Tax Assets				
Tax refund Receivable	2,332	405,127	-	58,572

Current Tax Payables				
Income Tax Payable	-	13,741	-	-

2. Imputation Credit Account

Opening Balance	-	1,637,924	-	1,156,619
Plus:				
Resident Withholding Tax Paid	-	174,472	-	179,749
Income Tax Payments	<u>-</u>	<u>640,503</u>	<u>-</u>	<u>1,138,869</u>
		814,975	-	1,318,618
Less:				
Imputation Credits attached to Dividends Paid		1,040,239	-	837,313
Credits lost on charitable status		1,353,650	-	-
Income Tax Refunds Received	<u>-</u>	<u>59,010</u>	<u>-</u>	<u>-</u>
Closing Balance	-	-	-	1,637,924

Notes To The Financial Statements (Continued)
For the Year Ended 31st March 2009

	2009		2008	
	Parent	Group	Parent	Group
3. Cash and Cash Equivalents				
Cash on Hand	400	400	-	-
Cash at Bank	1,361,772	2,490,591	2,188,103	3,394,028
Term Deposits	<u>156,514</u>	<u>7,492,010</u>	<u>334,386</u>	<u>6,043,868</u>
Total Cash and Equivalents	1,518,686	9,983,001	2,522,489	9,437,896
 4. Other Current Assets				
Trade receivables	66,773	763,458	33,712	709,572
Interest Receivable	2,017	169,442	-	149,800
GST Receivable	27,893	27,893	22,959	22,959
Tax Receivable	2,332	405,127	-	58,572
Pre-payments	5,421	11,238	27,293	36,765
Other	<u>-</u>	<u>-</u>	<u>344</u>	<u>344</u>
Total	104,436	1,377,158	84,308	978,012

Notes To The Financial Statements (Continued)
For the Year Ended 31st March 2009

5. Property, Plant & Equipment

Parent

The following gives details of the cost or valuation of assets and depreciation written off to date:

<u>This Year</u>	<u>Cost or Valuation</u>	<u>Depreciation For Year</u>	<u>Accumulated Depreciation</u>	<u>Book Value This Year</u>
Furniture & Fittings	64,717	5,362	30,303	34,414
Computer Hardware	157,941	21,735	129,614	28,327
Office Equipment	9,580	1,751	4,742	4,838
	<u>\$232,238</u>	<u>\$28,848</u>	<u>\$164,659</u>	<u>\$67,579</u>

<u>Last Year</u>	<u>Cost or Valuation</u>	<u>Depreciation For Year</u>	<u>Accumulated Depreciation</u>	<u>Book Value Last Year</u>
Furniture & Fittings	49,125	5,263	24,941	24,184
Computer Hardware	140,660	21,588	107,879	32,781
Office Equipment	4,471	861	2,991	1,479
	<u>\$194,256</u>	<u>\$27,712</u>	<u>\$135,811</u>	<u>\$58,444</u>

Group

<u>This Year</u>	<u>Cost or Valuation</u>	<u>Depreciation For Year</u>	<u>Accumulated Depreciation</u>	<u>Book Value This Year</u>
Leasehold Improvements	102,091	7,116	47,117	54,974
Furniture & Fittings	64,717	5,362	30,303	34,414
Office Equipment	255,478	11,032	181,442	74,036
Computer Hardware	684,910	172,203	508,883	176,027
	<u>\$1,107,196</u>	<u>\$195,713</u>	<u>\$767,745</u>	<u>\$339,451</u>

<u>Last Year</u>	<u>Cost or Valuation</u>	<u>Depreciation For Year</u>	<u>Accumulated Depreciation</u>	<u>Book Value Last Year</u>
Leasehold Improvements	102,091	8,052	40,001	62,090
Furniture & Fittings	49,125	5,263	24,941	24,184
Office Equipment	89,811	10,701	45,538	44,273
Computer Hardware	740,795	147,225	514,856	225,939
	<u>\$981,822</u>	<u>\$171,241</u>	<u>\$625,336</u>	<u>\$356,486</u>

Notes To The Financial Statements (Continued)
For the Year Ended 31st March 2009

6. Intangible Assets

Parent

The following gives details of the cost or valuation of assets and amortisation written off to date:

<u>This Year</u>	<u>Cost or Valuation</u>	<u>Amortisation For Year</u>	<u>Accumulated Amortisation</u>	<u>Book Value This Year</u>
Software	47,474	2,228	43,519	3,955

<u>Last Year</u>	<u>Cost or Valuation</u>	<u>Amortisation For Year</u>	<u>Accumulated Amortisation</u>	<u>Book Value Last Year</u>
Software	44,015	2,312	41,291	2,724

Group

<u>This Year</u>	<u>Cost or Valuation</u>	<u>Amortisation For Year</u>	<u>Accumulated Amortisation</u>	<u>Book Value This Year</u>
Software	702,509	11,519	680,258	22,251
Trademark	8,619	1,238	8,251	368
	<u>\$711,128</u>	<u>\$12,757</u>	<u>\$688,509</u>	<u>\$22,619</u>

<u>Last Year</u>	<u>Cost or Valuation</u>	<u>Amortisation For Year</u>	<u>Accumulated Amortisation</u>	<u>Book Value Last Year</u>
Software	698,503	20,137	668,739	29,764
Trademark	8,619	2,475	7,014	1,605
	<u>\$707,122</u>	<u>\$22,612</u>	<u>\$675,753</u>	<u>\$31,369</u>

Notes To The Financial Statements (Continued)
For the Year Ended 31st March 2009

	2009		2008	
	Parent	Group	Parent	Group
7. Trade and other Payables				
Trade Payables	158,989	422,414	308,421	474,622
GST Payable	-	79,006	-	62,482
Employee Benefits	73,881	118,680	55,837	85,955
Tax Payable	-	13,741	-	58,572
Other	-	-	-	-
	232,870	633,841	364,258	681,631

8. Financial Instruments

Credit Risk

Financial instruments which potentially subject the parent and group to credit risk consist principally of bank balances and accounts receivable.

The parent and group has a credit policy which is used to manage this exposure to credit risk. As part of this policy limits on exposures with counter parties have been set and are monitored on a regular basis.

The parent and group performs credit evaluations on all customers requiring credit and does not require collateral. The parent and group further minimises its credit exposure by limiting the amount of surplus funds placed with any one financial institution at any one time.

9. Related Party Disclosures

Internet New Zealand Incorporated (INZ) owns 100% of New Zealand Domain Name Registry Limited (NZDNRL) and Domain Name Commission Limited (DNCL).

INZ and DNCL are also sub-tenants of the premises occupied by NZDNRL. INZ and DNCL paid rent of \$118,636 and outgoings of \$22,581 (total \$141,217, 2008 \$128,695) to NZDNRL during the year.

Liz Butterfield, an INZ councillor, is the Managing Director of Hector's World Limited that has received a loan of \$140,000 from INZ. The loan is interest free and repayable in 2013. The carrying value of the loan represents the present value of the future receivable applying amortised cost using the effective interest method.

10. Subsidiaries

Name of Entity	Country of Incorporation	2009	2008
Parent Entity			
Internet New Zealand Incorporated	New Zealand		
Subsidiaries			
New Zealand Domain Name Registry Limited	New Zealand	100%	100%
Domain Name Commission Limited	New Zealand	100%	100%

Notes To The Financial Statements (Continued)
For the Year Ended 31st March 2009

11. Operating Leases

	2009		2008	
	Parent	Group	Parent	Group
Less than one year	-	197,045	41,222	256,180
Between one and two years	-	-	67,644	264,689
Between two and five years	-	-	2,313	2,313
More than five years	-	-	-	-
Total	-	197,045	111,179	523,182

12. Deferred Income

The group has invoiced clients for \$4,472,048 (2008 \$4,224,753) in advance. \$3,156,877 of this is current and \$1,315,171 is non-current.

13. Contingent Liabilities and Commitments

At 31 March 2009 the Group had no contingent liabilities or commitments (2008 \$Nil).

14. Standards & Interpretations to published standards that are not yet effective

At the date of authorisation of these financial statements certain new standards, amendments and interpretations to existing standards have been issued which were not yet effective at balance sheet date and have not been early adopted. The organisation has assessed the relevance of all such new standards, interpretations and amendments has determined that the following may be relevant to its operations.

NZIAS1 Presentation of Financial Statements. Revised standard introduces as a new primary financial statement the "Statement of Comprehensive Income." This may result in additional disclosures arising but does not change the recognition, measurement or disclosures of transactions required by other NZIFRS.

Standards & interpretations and amendments to published standards that are not yet effective and not relevant are NZ IAS23 Borrowing costs, NZIFRIC12 Service Concession Agreements, NZIFRS 8 Operating Segments, NZIFRIC13 Customer Loyalty Programmes, NZIFRIC14 Limit on Defined Benefit Assets, IFRS2 Amendments to Share Based Payment, IFRIC15 Construction Real Estate, IFRIC16 Hedges of Net Investment Foreign Operations, IFRIC17 Distributions of Non Cash Assets.

14 May 2009

Peter Macaulay
President
InternetNZ
PO Box 11 881
Wellington

Dear Peter

Re: 4th Quarter 2008 - 2009 Report

We enclose our fourth quarterly report of the 2008 - 2009 year, the quarter ended 31st March 2009. The report, which I submit on behalf of the Board, consists of the summarised management accounts and a commentary on financial, operational, and strategic issues in relation to the company's performance. There is nothing in the report that we regard as confidential.

This report meets the requirement of the Reporting Policy incorporated in the July 2008 INZ - NZRS Operating Agreement.

1. Financial

1.1 Results

Enclosed are Statements of:

- Financial performance; and
- Financial position

These statements are based on our management accounts for the quarter.

The net profit before tax of \$ 805,085 for the quarter was 3.5% below the budgeted \$ 834,353.

The management accounts record an unaudited net profit before tax for the year of \$ 3,504,693 (budgeted \$ 3,248,526 and 2007 - 2008 \$ 3,662,218). The 2008 - 2009 year to date result is provisional pending the finalisation of audited financial statements for the year. Based on previous years' experience, we do not expect any major changes to the year-end result reported in these management accounts.

Domain name growth continued to be below budget for the March quarter (actual 4,661 versus budgeted 13,500). March's net growth at 1,966 was closer to the 2,000 per month budgeted for 2009-10 but still substantially below the 4,500 per month originally budgeted for 2008 - 2009. Actual domain name fee

income for the quarter was slightly under budget (\$1,626,031 versus budgeted \$1,683,999).

As at 31st December 2008, the company's funds in bank and on deposit totalled \$7,692,670 slightly below the budgeted \$7,744,827. Pre-paid domain name fees (deferred income) were also below budget at the end of the quarter (actual of \$4,472,048 against the budgeted \$5,046,831), reflecting the below budget domain name growth.

The company's internally-imposed liquidity ratio was still met despite the slightly lower than budgeted cash position.

2. Operational

At the end of the quarter there were 71 authorised registrars in production.

2.1 System Availability

SRS, DNS and Whois availability is noted in the table below.

	<i>SLA %</i>	<i>Mar 09</i>	<i>Feb 09</i>	<i>Jan 09</i>
SRS	99.90%	99.99	99.92	99.96
DNS	100%	100	99.92	100
Whois	99.90%	100	100	100

2.2 Domain Name Growth

The breakdown of domain name growth by second level domain is noted in the table below.

	31 Jan 2009	28 Feb 2009	31 Mar 2009
.ac	1656	1680	1665
.co	300919	302527	304330
.cri	15	15	15
.geek	875	870	873
.gen	1211	1206	1204
.govt	982	985	988
.iwi	65	65	67
.maori	531	535	544
.mil	16	18	18
.net	20300	20266	20336
.org	20407	20454	20545
.parliament	5	5	6
.school	2820	2838	2839
Total	349802	351464	353430

Growth over previous month	1033	1662	1966
Variance against budget	-3,467	-2,838	-2,534

Year to date domain name growth for the twelve months to 31st March 2009 was 28,708, a 47% variance to the budgeted 54,000.

When the figures are examined in closer detail we can make the following observations:

- The creation of new domains first took a dip in March 2008, but followed a pattern previously observed in 2005. However the volumes never recovered and by August 2008 this deteriorated even further. For the March quarter there has been a significant improvement in the volumes of new domains created, though it still remains just below 2007 and 2006 levels.
- The renewal of domains held up better, only showing noticeable decline in November and December 2008. This poor performance carried on into the March quarter but picked up significantly for March 2009.

3. Other Key Strategic and Operational Activities

a) Organisational Capacity and Capability Review

Implementation of the Review outcomes continued during the quarter with the transition in leadership from a General Manager with a significant operational focus to a Chief Executive with a wider strategic remit. As previously advised, the Chief Executive, Jay Daley, took up post at the beginning of March.

In addition, the Technical and Business Systems (TBSR) Committee, set up in May 2006 to provide oversight of the TBSR programme, and constituted with a mix of NZRS directors and staff, was dis-established by the Board in March. Responsibility for the TBSR Committee's functions has passed to the Chief Executive.

b) TBSR programme

The notable developments of the TBSR programme during the March quarter were:

- The commissioning of work to implement EPP, the international standard for domain name provisioning.
- Work got underway on the upgrade of the Albany DNS cluster and the installation of a DNS cluster in Christchurch.

c) Liquidity Policy

As reported in the addendum to the previous quarterly report presented to Council's March 2009 meeting, the Board finalised and adopted a formal Liquidity Policy during the March quarter.

d) Capital Structure Review

At the same meeting of Council we recommended that InternetNZ as shareholder, conduct a review of NZRS's capital structure, reflecting the impact of the company's charitable registration.

e) Service Level Agreement

Significant work was undertaken on the revision of the SLA with DNCL. The negotiations were robust but good-natured, and agreement has now been reached between DNCL and NZRS on the revised SLA.

Moving forward, we will be meeting with DNCL to review the reporting arrangement with a particular view to reducing the volume of figures to enable greater concentration on information that matters.

f) Annual Domain Name Fee Review

The annual Domain Name Fee setting exercise concluded with a joint NZRS/DNCL recommendation to Council to maintain the fee at the current level. This joint recommendation was approved at Council's March 2009 meeting.

4. Outlook: Strategic Issues and Key Operational Activities

Key activities for the first quarter of the 2009 - 2010 financial year include:

a) Infrastructure Development

The Chief Executive will be reviewing our current technical infrastructure for both registration and DNS, with specific focus on how the maintainability, monitoring and security compare to other registries.

It is likely this work will lead to increased investment on the infrastructure behind-the-scenes with no functional change or impact on customers, but a greater level of robustness to our systems.

b) Organisational Capacity and Capability Review

Implementation of the Review's outcomes will continue, including:

- Technical leadership and operations - enhancements to Technical Manager Dave Baker's role to give him greater operational control and greater involvement in the strategy process to enable him to plan the future development of our infrastructure accordingly; and the recruitment of another member of staff as a DNS specialist.
- Board and Chief Executive relationship - implementation of greater delegations to the Chief Executive and the Board moving to a more standard governance role, reflecting the maturity of NZRS and the appointment of the Chief Executive. Early indications are that this will

be rapid and seamless and will not compromise any of the strong controls that exist to safeguard the operation of .nz.

c) Domain Name Growth

During the final quarter of 2008 - 2009 domain name growth was again significantly below budget. As previously advised we have reforecast growth rates for the year 2009 -2010 and indications from the final month of the March quarter are that this budget is realistic. However with the ongoing world economic crisis and the uncertainty of the impact on the NZ economy we will continue to monitor closely domain name growth and the impact on profitability and liquidity.

d) Relationships with the INZ group and the role of NZRS

Our key strategic goal is to "Deliver continuous domain name availability to registrars, their customers and all Internet users" and we consider that a goal that cannot be compromised by any future developments. It is this imperative that has led to our strong focus on best practice processes, best practice controls and best practice technology.

It is clear though, that registries around the world are changing in response to the rapid development of the Internet and the changing demands of customers and Internet users. New technologies are being developed all the time, which, whilst unlikely to usurp the role of domain names, may diminish the importance of domain names and lead to lower registration volumes with a concomitant impact on group finances.

In the same way that we regard our adoption of best practice for operational matters as a necessity, because of NZRS's critical role, we also regard the adoption of best practice for strategic planning as a necessity. To be truly strategic, this planning must look at the developments in the registry/TLD market, the changing technology landscape and consider all means to protect .nz, including possible diversification. Accordingly we look forward to the implementation of the group-wide Business Development and Sustainability Committee to contribute to this longer-term perspective.

In the meantime the new Chief Executive will be meeting key stakeholders within the group and wider community to reinforce our commitment to the secure and efficient running of .nz, whilst explaining developments that have taken place in other registries to give context to our view to the future.

e) DNSSEC

We will be writing jointly with DNCL to ICANN to request input on the design of our DNSSEC implementation. DNSSEC is still in its infancy and much work is being done on understanding the practical implications of implementation and the requirements for further standards to define the management policies being adopted. ICANN has shown itself to be a world leader in understanding

the implementation of DNSSEC and by asking for their input we hope to gain a head start.

f) Dividend Payment

An additional special dividend of \$ 295,188 will be paid on 11 Jun 2009 as requested. We do not anticipate any liquidity issues arising from this dividend payment.

g) Annual Financial Statements

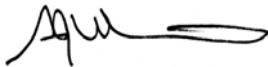
Annual audited financial statements will be prepared across this quarter, together with the company's Annual Report. We are working to a timetable to ensure the NZRS financial statements are available on a timely basis to meet the group's consolidated reporting requirements.

5. Board Recommendation

The Board of NZRS recommends that the Council of InternetNZ receives this report.

Please do not hesitate to contact me if you have any queries.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Anne', followed by a long horizontal flourish.

Anne Urlwin
Chairman



New Zealand Domain Name Registry Limited
Financial Statements
For the Quarter Ended 31st March 2009

Prepared By

Curtis McLean Limited
Chartered Accountants
Wellington NZ





New Zealand Domain Name Registry Limited
Exclusion of Liability Statement
For the Quarter Ended 31st March 2009

We have compiled the Financial Statements comprising Statement of Financial Performance, Statement of Movements in Equity and Statement of Financial Position of New Zealand Domain Name Registry Limited for the period ended 31st March 2009.

A compilation is limited primarily to the collection, classification and summarisation of financial information supplied by the client. A compilation does not involve the verification of that information.

We have not carried out an audit or review engagement of the Financial Statements and therefore neither we nor any of our employees accept any responsibility for the accuracy of the material from which the Financial Statements have been prepared. Further, the Financial Statements have been prepared at the request of and for the purpose of the client only and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person.

Curtis McLean Limited
Chartered Accountants
Wellington NZ



New Zealand Domain Name Registry Limited
Statement of Financial Performance
For the Quarter Ended 31st March 2009



	This Quarter			Year to Date			Full Year	
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Last Year
Registry Fees	1,626,031	1,683,999	(57,968)	6,361,318	6,371,496	(10,178)	6,371,496	6,072,686
Less Direct Expenses								
DNC Management Fee	273,900	273,900	-	1,095,600	1,095,600	-	1,095,600	996,000
DNS Expenses	106,180	136,900	(30,720)	333,237	422,620	(89,383)	422,620	256,146
DRS Expenses	115,326	105,960	9,366	469,005	444,840	24,165	444,840	350,714
Other IT	9,463	39,693	(30,230)	73,080	174,205	(101,125)	174,205	129,226
BSR	34,930	36,000	(1,070)	153,456	144,000	9,456	144,000	169,356
Total Direct Expenses	539,799	592,453	(52,654)	2,124,378	2,281,265	(156,887)	2,281,265	1,901,442
Gross Profit	1,086,232	1,091,546	(5,314)	4,236,940	4,090,231	146,709	4,090,231	4,171,244
Less Other Expenses								
Depreciation & Amortisation	55,377	97,539	(42,162)	177,175	284,886	(107,711)	284,886	162,591
Overhead Expenses	393,240	376,994	16,245	1,332,902	1,400,094	(67,192)	1,400,094	1,119,654
Total Other Expenses	448,617	474,533	(25,917)	1,510,077	1,684,980	(174,903)	1,684,980	1,282,245
	637,615	617,013	20,603	2,726,863	2,405,251	321,612	2,405,251	2,888,999
Plus: Other Income								
Interest	117,649	174,587	(56,938)	577,734	655,910	(78,176)	655,910	567,650
Rent Received	40,720	34,932	5,788	162,881	157,089	5,792	157,089	165,781
Tenants Share of Expenses	9,100	7,821	1,279	43,190	30,276	12,914	30,276	39,788
Net Profit Before Tax	805,084	834,353	(29,268)	3,510,668	3,248,526	262,142	3,248,526	3,662,218

These Financial Statements have not been reviewed or audited and should be read in conjunction with the attached Exclusion of Liability Statement





New Zealand Domain Name Registry Limited
Statement of Financial Performance
For the Quarter Ended 31st March 2009

	This Quarter			Year to Date			Full Year	
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Last Year
Net Profit Before Tax	805,085	834,353	(29,267)	3,510,667	3,248,526	262,141	3,248,526	3,662,218
Less: Interest Expense	-	-	-	5,974	-	5,974	-	-
	<u>805,085</u>	<u>834,353</u>	<u>(29,267)</u>	<u>3,504,693</u>	<u>3,248,526</u>	<u>256,167</u>	<u>3,248,526</u>	<u>3,662,218</u>
Provision For Tax	(353,562)	250,305	(603,867)	456,320	974,558	(518,238)	974,558	1,211,390
Net Profit (Loss)	<u>1,158,647</u>	<u>584,048</u>	<u>574,600</u>	<u>3,048,373</u>	<u>2,273,968</u>	<u>774,405</u>	<u>2,273,968</u>	<u>2,450,828</u>

These Financial Statements have not been reviewed or audited and should be read in conjunction with the attached Exclusion of Liability Statement



New Zealand Domain Name Registry Limited
Statement of Movements in Equity
For the Quarter Ended 31st March 2009



	This Year to Date	Last Year Full Year
Share Capital		
Opening Share Capital	30,000	30,000
Share Capital as at 31st March 2009	<u>30,000</u>	<u>30,000</u>
Retained Earnings		
Opening Retained Earnings	3,563,670	2,812,843
Plus: Net Tax Paid Profit (Loss) for Year	3,048,372	2,450,828
Less: Dividend Declared	<u>2,112,000</u>	<u>1,700,000</u>
Retained Earnings as at 31st March 2009	4,500,042	3,563,671
Equity as at 31st March 2009	<u>\$4,530,042</u>	<u>\$3,593,671</u>

These Financial Statements have not been reviewed or audited and should be read in conjunction with the attached Exclusion of Liability Statement



New Zealand Domain Name Registry Limited
Statement of Financial Position
As At 31st March 2009



	Actual	End of Quarter		LY Actual	End of Year	
		Budget	Variance		Budget	LY Actual
Equity						
Share Capital	30,000	30,000	-	30,000	30,000	30,000
Retained Earnings	4,500,042	3,729,788	770,254	3,563,670	3,729,788	3,563,671
Total Equity	4,530,042	3,759,788	770,254	3,593,670	3,759,788	3,593,671
Liabilities:						
Creditors & Accruals	244,281	379,859	(135,578)	317,372	379,859	317,371
Provision For Tax	343,207	(264,047)	607,254	58,571	(264,047)	58,571
Deferred Income -						
Registry Fees	4,472,048	5,046,831	(574,783)	4,175,133	5,046,831	4,175,133
Amount in Advance	-	49,620	(49,620)	49,620	49,620	49,620
Total Liabilities	4,373,122	5,740,357	(1,367,235)	4,483,554	5,740,357	4,483,553
Funds Employed	8,903,164	9,500,145	(596,981)	8,077,224	9,500,145	8,077,224
Represented By:						
Current Assets						
Funds Held	7,692,670	7,744,827	(52,157)	6,915,407	7,744,827	6,915,407
Debtors & Prepayments	920,392	894,518	25,874	835,132	894,518	835,132
	8,613,062	8,639,345	(26,283)	7,750,539	8,639,345	7,750,539
Non Current Assets						
Fixed Assets	289,735	860,426	(570,691)	325,080	860,426	325,080
Intangible Assets	367	374	(7)	1,605	374	1,605
Total Non Current Assets	290,102	860,800	(570,698)	326,685	860,800	326,685
Total Assets	8,903,164	9,500,145	(596,981)	8,077,224	9,500,145	8,077,224

These Financial Statements have not been reviewed or audited and should be read in conjunction with the attached Exclusion of Liability Statement



May 2009

Mr Pete Macaulay
President
InternetNZ
P O Box 11881
WELLINGTON

Dear Pete

Fourth quarter 2008-2009 .nz report

This report summarises the key results for the fourth quarter 2008/09 financial year. It includes information provided in the three monthly reports (January, February and March), plus financial information relating to the quarter. There is nothing in this report that is confidential.

1. Statistics

- Over the quarter, .nz domain names have increased from 348,769 to 353,430, a net increase of 4,661 or 1.3%.

	As at 1 Jan 09	As at 31 Jan 09	As at 28 Feb 09	As at 31 Mar 09	Net Change over tr
.ac	1662	1656	1,680	1,665	3
.co	299,986	300,919	302,527	304,330	4,344
.cri	15	15	15	15	0
.geek	865	875	870	873	8
.gen	1,211	1,211	1,206	1,204	-7
.govt	979	982	985	988	9
.iwi	64	65	65	67	3
.maori	534	531	535	544	10
.mil	16	16	18	18	2
.net	20,299	20,300	20,266	20,336	37
.org	20,309	20,407	20,454	20,545	236
.parliament	5	5	5	6	1
.school	2,824	2,820	2,838	2,839	15
Total	348,769	349,802	351,464	353,430	4,661
Net growth		1033 (0.3%)	1,662 (0.5%)	1,966 (0.6%)	4,661 (1.3%)

2. Registry Performance

- SLA targets achieved for the quarter
- SRS availability over the quarter was January 99.96%, February 99.92% and March 99.99%.

- DNS availability over the quarter was 100% for each of the three months

3. *.nz Policies and Procedures*

- A review of the .nz Privacy Policy commenced in March. A copy of the consultation paper is at <http://dnc.org.nz/pri-review> and submissions closed 4 May with no submissions received.

4. *Registrars*

- One Registrar was authorised during the quarter – 1API from Germany
- Four Registrars connected to the production environment over the quarter – WorldXChange, Swizzlestick, 1API and Combo Marketing.

At the end of March 2009 there were 74 authorised Registrars with 70 of these connected to the production system.

5. *Other Key Activities*

- An application for release of the zone file was approved. It is for use by the BotNet Taskforce convened by CCIP (Centre for Critical Infrastructure Protection). References were obtained from various people associated with the project before approval for the zone file was granted. The list will be used to input into tools developed to identify compromised .nz sites.
- Peter Mott (Swizzle), Andrew Scott (Domainz) and Richard Clark (SimpleName) were voted on to the Registrar Advisory Group. They join Lee Miller (Net24 – RegisterDirect, 1st Domains), Glen Eustace (God Zone) and Brett Wright (FreeParking) on the RAG.
- Charitable Status for Domain Name Commission Limited was granted in February. A request to backdate the effective date of registration to the application date was approved so DNCL's Charitable Status applies from 10 October 2008.
- The DNC attended the APTLD meeting in Manila and the ICANN meeting in Mexico.
- The IDN Working Group met in March and discussed the project plan for implementation of the five Māori macrons into .nz domain names. The target date for implementation remains Māori language week 2010. Also discussed was how the sunrise period for current .nz Registrants would operate. A draft policy will be developed and published for Registrar and public comment.
- Work commenced on the awareness of .nz campaign. This included finalising the 'talent' for the various second level domains representatives and starting filming of the online advertisements. A new logo and look for the Domain Name Commission was also developed and approved by both the Board and InternetNZ Council.

6. *Documents published*

- Minutes of the DNCL Board meeting
<http://www.dnc.org.nz/story/30337-29-1.html>

7. *Planned activities next quarter*

- Continue work on the .nz awareness campaign with the new DNC logo and website look to be introduced. The launch of “.nz is our home” will be either late this quarter or early in the second quarter of the year.
- End of year activities including audit and annual report.
- Consultation of IDN paper on sunrise period.

8. *Financial*

The Income Statement for DNCL for the year ended 31 March 2009 is below. These have not yet been approved by the auditor. Full accounts will be provided to InternetNZ following auditor and Board signoff.

Income

Authorisation Fees	\$9,985	
DRS Complaint Fees	\$43,300	
Management Fees	\$1,095,600	
	<hr/>	
Total Fees Received		\$1,148,885

Less E penses

Audit Fees	\$11,003	
Board Expenses	\$23,792	
Communications	\$62,572	
Depreciation	\$219	
Directors Fees	\$54,000	
Dispute Resolution Service	\$114,836	
DNC Registrar Activities	\$9,067	
International	\$216,190	
Office and Administration	\$144,976	
Personnel and Staff	\$424,214	
Professional Services	\$101,606	
	<hr/>	
Total E penses		\$1,162,475

Net Operating Profit (13,590)

Plus:

Interest Revenue	39,459	
	<hr/>	
Net Profit Before Taxation		25,869
Less: Provision for Tax		28,413
		<hr/>
Net Profit After Taxation		(\$2,544)

Notes:

- Accruals for staff annual and sick leave increased the expenditure under “Personnel and Staff”
- Savings were made in “Professional Services”, largely as a result of a new insurance broker achieving significant savings in the annual insurance for the .nz market
- The overall outcome was largely as budgeted with a small loss being made

9. *Board recommendation*

The Board of DNCL **recommends** that the Council of InternetNZ receives this report.

Please do not hesitate to contact me if you have any questions.

Yours sincerely

Joy Liddicoat
Acting Chair

Monthly .nz report for February 2009

1. Statistics

- The level of active .nz domain names increased from 349,802 to 351,464. An increase of 1662.

A table showing net growth over the last 12 months is shown in Appendix 1.

	31 an 09	28 Feb 09	Creates	Renewal	Net Change
.ac	1656	1,680	49	322	24
.co	300,919	302,527	5,974	57,069	1,608
.cri	15	15	0	3	-
.geek	875	870	12	196	-5
.gen	1,211	1,206	12	290	-5
.govt	982	985	3	785	3
.iwi	65	65	0	11	-
.maori	531	535	17	67	4
.mil	16	18	2	6	2
.net	20,300	20,266	333	3,598	-34
.org	20,407	20,454	337	3,509	47
.parliament	5	5	0	4	-
.school	2,820	2,838	26	1,134	18
Total	349,802	351,464	6,765	66,994	1,662
rowth over previous month	1,033 (0.3%)	1,662 (0.5%)			

2. Registry Performance

- **SRS Availability and Performance**

Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09
100	100	100	100	99.99	99.97	99.98	99.91	99.99	100	99.96	99.92

Outages during month greater than 5 minutes: One: a 33 minute, 10 second outage on 2 February, 1215-1248 hrs, was caused by a restart of a system logging process on the front end web server. The logging process overloaded the machine and brought the SRS system down. The SRS was successfully restarted.

This outage should not have happened. NZRS have procedures in place that require any work on critical components of the SRS to occur in an outage window and in this case the procedure was not followed. NZRS have taken steps to ensure it does not happen again.

Transaction	Average Response Times (in seconds)		
	As per SLA	February 2009	Av last 12 months
Domain Details Query	1.5	0.04	0.03
Domain Update	0.8	0.39	0.42
Domain Create	0.8	0.44	0.48
Get Message	0.8	0.05	0.04
WHOIS	0.8	0.12	0.12
UDAI Valid Query	0.8	0.17	0.16

▪ **DNS Availability and Performance**

Server	Availability									
	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09
NS1	100	100	100	100	100	100	100	100	100	100
NS2	100	100	100	100	100	100	100	100	100	100
NS3	100	100	100	100	100	100	100	100	100	100
Old NS4	100	100	99.99	100	99.96	100				
NS4a						100	100	100	100	100
NS5	100	100	100	100	100	100	100	100	100	100
NS6	100	100	100	100	100	100	99.97	100	100	100
NS7	100	100	100	100	100	100	100	100	100	100

Performance Stress Testing

The figures are derived from the 'stress testing' of the name servers. 1201 UDP and 121 TCP transactions are used. Measurements are in milli-seconds.

DNS	Target	UDP transactions						TCP transactions					
		Sept	Oct	Nov	Dec	an 09	Feb 09	Sept	Oct	Nov	Dec	an 09	Feb 09
NS1	5 50	0.05	0.05	0.04	0.5	0.04	0.04	0.15	0.15	0.15	0.15	0.15	0.15
NS2	5 50	0.05	0.05	0.05	0.5	0.05	0.05	0.16	0.15	0.15	0.15	0.16	0.15
NS3	5 50	0.05	0.05	0.05	0.05	0.04	0.04	0.14	0.14	0.15	0.14	0.14	0.15

The measurements for the NS1, NS2 and NS3 are taken by running the programme on the individual servers.

SRS Zone Pushes

These figures show the average time taken from the point that the first Primary begins the zone push to the time that the last of the secondary's acknowledges that it is up to date.

Measurement	un 08	ul 08	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	an 09	Feb 09
Average Time (sec)	305	308	308	307	306	284	287	231	170

DNS Project

Between 17 and 28 February, NS7 was transitioned from a NZRS operated unicast name server to an anycast name server service hosted and managed by Autonomica. Also over this time, NS3 was transitioned from a NZRS operated unicast name server to a NZRS operated anycast server service with two servers located in Wellington and Auckland. The IANA change for these two name servers was completed on 28 February.

3. .n Policies and Procedures

- No policy reviews were being undertaken over February

4. Registrar Authorisation and Connection

Registrars authorised	74
Registrars connected	68

Number authorised during the month: Nil

Number connected during the month: Two – 1API and Combo Marketing

5. Other .n matters

- Peter Mott (Swizzle), Andrew Scott (Domainz) and Richard Clark (SimpleName) were voted on to the Registrar Advisory Group. They join Lee Miller (Net24 – RegisterDirect, 1st Domains), Glen Eustace (God Zone) and Brett Wright (FreeParking) on the RAG.

6. Dispute Resolution Service

	Jan 08	Jul 08	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09
Valid Complaints Received	4	9	5	10	10	6	3	3	6
Pre-mediation settlement	1	5	1	2	0	2	1	2	1
Sent to Mediation	1	1	4	5	1	1	2	2	1
▪ Settled at Mediation	2	0	1	0	3	0	0	0	1
Referred to Expert	0	2	0	2	1	6	2	1	1
▪ Transferred	0	1	0	1	1	2	3	2	1
▪ Dismissed	0	0	1	0	0	1	1	0	1
Withdrawn	0	1	1	1	4	0	0	2	1

7. DNC Office

- Charitable Status for Domain Name Commission Limited was granted in February. A request to backdate the effective date of registration to the application date was approved so DNCL's Charitable Status applies from 10 October 2008.
- The DNC attended the APTLD meeting in Manila. The travel report for this is going to be combined with that of the ICANN meeting in Mexico and will be included in the March report.

Richard Currey
Chair, DNCL

Appendix 1

	31 Mar	30 Apr	31 May	30 Jun	31 Jul	31Aug	30 Sep	31 Oct	30 Nov	31 Dec	31 Jan	28 Feb	Creates February	Renewal February	Net Change Jan/Feb
	2008	2008	2008	2008	2008	2008	2008	2008	2008	2008	2009	2009	2009	2009	2009
.ac	1,518	1,544	1,589	1,582	1,605	1,603	1,614	1,646	1,654	1,662	1,656	1,680	49	322	24
.co	278,838	282,531	285,876	288,994	292,048	294,557	296,142	299,555	299,318	299,986	300,919	302,527	5,974	57,069	1,608
.cri	16	16	16	16	16	16	16	16	15	15	15	15	0	3	-
.geek	827	848	850	853	861	848	848	861	860	865	875	870	12	196	-5
.gen	1,188	1,189	1,193	1,178	1,200	1,200	1,191	1,201	1,205	1,211	1,211	1,206	12	290	-5
.govt	944	951	951	958	961	965	972	977	978	979	982	985	3	785	3
.iwi	59	57	60	60	63	62	63	64	65	64	65	65	0	11	-
.maori	504	504	506	507	516	512	513	523	520	534	531	535	17	67	4
.mil	18	18	18	18	18	18	17	17	17	16	16	18	2	6	2
.net	19,313	19,537	19,709	19,894	19,932	20,015	20,162	20,330	20,286	20,299	20,300	20,266	333	3,598	-34
.org	18,765	19,012	19,267	19,480	19,612	19,755	19,949	20,180	20,225	20,309	20,407	20,454	337	3,509	47
.parliament	5	5	5	5	5	5	5	5	5	5	5	5	0	4	-
.school	2,727	2,739	2,754	2,760	2,775	2,789	2,801	2,811	2,821	2,824	2,820	2,838	26	1,134	18
Total	324,722	328,951	332,794	336,305	339,612	342,345	344,293	348,186	347,969	348,769	349,802	351,464	6,765	66,994	1,662
rowth over previous month	2,905 0.9	4,229 1.3	3,843 1.2	3,511 1.1	3,307 1.0	2,733 0.8	1,948 0.6	3,893 1.1	-217 -0.1	800 0.2	1,033 0.3	1,662 0.5	% growth over previous month		
variance against budget[#]	-1,095 -27.4	-271 -6.0	-657 -14.6	-989 -21.9	-1,193 -26.5	-1,767 -39.2	-2552 -56.7	-607 -13.4	-4,717 -104.8	-3,700 -82.2	-3,467 -77.0	-2,838 -63.1	% variance from budget		

[#]For 2007/08 FY budget was 4,000 net growth per month, from 1 April 08 budget is 4,500

Council
InternetNZ

Monthly .nz report for March 2009

1. Statistics

- The level of active .nz domain names increased from 351,464 to 353,430. An increase of 1,966.

A table showing net growth over the last 12 months is shown in Appendix 1.

	28 Feb 09	31 Mar 09	Creates	Renewal	Net Change
.ac	1,680	1,665	45	391	-15
.co	302,527	304,330	6,667	63,188	1,803
.cri	15	15	0	5	0
.geek	870	873	24	215	3
.gen	1,206	1,204	20	318	-2
.govt	985	988	4	1,007	3
.iwi	65	67	2	9	2
.maori	535	544	19	93	9
.mil	18	18	0	4	0
.net	20,266	20,336	442	3,962	70
.org	20,454	20,545	354	3,930	91
.parliament	5	6	1	6	1
.school	2,838	2,839	25	1,290	1
Total	351,464	353,430	7,603	74,418	1,966
rowth over previous month	1,662 (0.5%)	1,966 (0.6%)			

2. Registry Performance

- SRS Availability and Performance**

Mar 08	May 08	Jun 08	Jul 08	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09
100	100	100	99.99	99.97	99.98	99.91	99.99	100	99.96	99.92	99.99

Outages during month greater than 5 minutes: Nil

Transaction	Average Response Times (in seconds)		
	As per SLA	March 2009	Av last 12 months
Domain Details Query	1.5	0.04	0.03
Domain Update	0.8	0.36	0.42
Domain Create	0.8	0.42	0.48

Get Message	0.8	0.05	0.04
WHOIS	0.8	0.12	0.12
UDAI Valid Query	0.8	0.17	0.16

▪ **DNS Availability and Performance**

Server Availability

Server	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09
NS1	100	100	100	100	100	100	100	100	100	100
NS2	100	100	100	100	100	100	100	100	100	100
NS3	100	100	100	100	100	100	100	100	100	100
Old NS4	100	99.99	100	99.96	100					
NS4a					100	100	100	100	100	100
NS5	100	100	100	100	100	100	100	100	100	100
NS6	100	100	100	100	100	99.97	100	100	100	100
NS7	100	100	100	100	100	100	100	100	100	100

Performance Stress Testing

The figures are derived from the 'stress testing' of the name servers. 1201 UDP and 121 TCP transactions are used. Measurements are in milli-seconds.

DNS	Target	UDP transactions						TCP transactions					
		Oct	Nov	Dec	an 09	Feb 09	Mar 09	Oct	Nov	Dec	an 09	Feb 09	Mar 09
NS1	5 50	0.05	0.04	0.5	0.04	0.04	0.04	0.15	0.15	0.15	0.15	0.15	0.14
NS2	5 50	0.05	0.05	0.5	0.05	0.05	0.05	0.15	0.15	0.15	0.16	0.15	0.16
NS3a	5 50					0.04	0.05					0.15	0.15
NS3b	5 50			0.04	0.05	0.04	0.05			0.15	0.15	0.14	0.14

The measurements for the Primary name servers and NS1, NS2 and NS3 are taken by running the programme on the individual servers.

SRS Zone Pushes

These figures show the average time taken from the point that the first Primary begins the zone push to the time that the last of the secondary's acknowledges that it is up to date.

Measurement	ul 08	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	an 09	Feb 09	Mar 09
Average Time (sec)	308	308	307	306	284	287	231	170	162

DNS Project

Work is underway on the upgrade of the Albany DNS cluster and the installation of a DNS cluster in Christchurch.

3. .nz Policies and Procedures

- A review of the .nz Privacy Policy commenced in March. A copy of the consultation paper is at <http://dnc.org.nz/pri-review> and submissions close 4 May. At the time of writing this report no submissions had been received.

4. Registrar Authorisation and Connection

Registrars authorised	74
Registrars connected	70

Number authorised during the month: Nil

Number connected during the month: Two – WorldXchange and Swizzle

5. Other .nz matters

- There was a meeting of the Domain Name Commission Board on 13 March 2009. A copy of the minutes is online at <http://www.dnc.org.nz/story/30337-29-1.html>.
- The IDN Working Group met in March and discussed the project plan for implementation of the five Māori macrons into .nz domain names. The target date for implementation remains Māori language week 2010. Also discussed was how the sunrise period for current .nz registrants would operate. A draft policy will be developed and published for registrar and public comment.
- Work commenced on the awareness of .nz campaign. This included finalising the 'talent' for the various second level domains representatives and starting filming of the online advertisements. A new logo and look for the Domain Name Commission was also developed and approved by both the Board and InternetNZ Council.

6. Dispute Resolution Service

	Jul 08	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09
Total Complaints Received	9	5	10	10	6	3	3	6	5
Pre-mediation settlement	5	1	2	0	2	1	2	1	0
Sent to Mediation	1	4	5	1	1	2	2	1	2
▪ Settled at Mediation	0	1	0	3	0	0	0	1	2
Referred to Expert	2	0	2	1	6	2	1	1	1
▪ Transferred	1	0	1	1	2	3	2	1	1
▪ Dismissed	0	1	0	0	1	1	0	1	0
Withdrawn	1	1	1	4	0	0	2	1	3

7. DNC Office

- The DNC attended the ICANN meeting in Mexico. A travel report for this, and also for the APTLD conference in February, is enclosed as Appendix 3.

Richard Currey
Chair, DNCL

Appendix 1

	30 Apr	31 May	30 Jun	31 Jul	31Aug	30 Sep	31 Oct	30 Nov	31 Dec	31 Jan	28 Feb	31 Mar	Creates March	Renewal March	Net Change Feb/Mar
	2008	2008	2008	2008	2008	2008	2008	2008	2008	2009	2009	2009	2009	2009	2009
.ac	1,544	1,589	1,582	1,605	1,603	1,614	1,646	1,654	1,662	1,656	1,680	1,665	45	391	-15
.co	282,531	285,876	288,994	292,048	294,557	296,142	299,555	299,318	299,986	300,919	302,527	304,330	6,667	63,188	1,803
.cri	16	16	16	16	16	16	16	15	15	15	15	15	0	5	0
.geek	848	850	853	861	848	848	861	860	865	875	870	873	24	215	3
.gen	1,189	1,193	1,178	1,200	1,200	1,191	1,201	1,205	1,211	1,211	1,206	1,204	20	318	-2
.govt	951	951	958	961	965	972	977	978	979	982	985	988	4	1,007	3
.iwi	57	60	60	63	62	63	64	65	64	65	65	67	2	9	2
.maori	504	506	507	516	512	513	523	520	534	531	535	544	19	93	9
.mil	18	18	18	18	18	17	17	17	16	16	18	18	0	4	0
.net	19,537	19,709	19,894	19,932	20,015	20,162	20,330	20,286	20,299	20,300	20,266	20,336	442	3,962	70
.org	19,012	19,267	19,480	19,612	19,755	19,949	20,180	20,225	20,309	20,407	20,454	20,545	354	3,930	91
.parliament	5	5	5	5	5	5	5	5	5	5	5	6	1	6	1
.school	2,739	2,754	2,760	2,775	2,789	2,801	2,811	2,821	2,824	2,820	2,838	2,839	25	1290	1
Total	328,951	332,794	336,305	339,612	342,345	344,293	348,186	347,969	348,769	349,802	351,464	353,430	7,603	74,418	1,966
rowth over previous month	4,229	3,843	3,511	3,307	2,733	1,948	3,893	-217	800	1,033	1,662	1,966			
	1.3	1.2	1.1	1.0	0.8	0.6	1.1	-0.1	0.2	0.3	0.5	0.6	% growth over previous month		
variance against budget[#]	-271	-657	-989	-1,193	-1,767	-2552	-607	-4,717	-3,700	-3,467	-2,838	-2,534			
	-6.0	-14.6	-21.9	-26.5	-39.2	-56.7	-13.4	-104.8	-82.2	-77.0	-63.1	-56.3	% variance from budget		

[#]For 2007/08 FY budget was 4,000 net growth per month, from 1 April 08 budget is 4,500

APTLD Manila, Philippines Monday 23 February 2009

This APTLD meeting was held in conjunction with APRICOT 2009 and was also the APTLD AGM meeting. 18 ccTLDs were represented.

A copy of the agenda, and of many of the presentations, can be seen on the APTLD website at <http://aptld.org/manila2009/>.

There was a wide range of topics for the meeting. Presentations were given on marketing, security, IDNs, IPv6, gTLDs and the role of a ccTLD in the community. Some of the presentations are outlined below.

- *Marketing ccTLDs effectively, the dotPH experience – Joel Disini*

<http://aptld.org/manila2009/docs/02/cctld-ppt2.pdf>;

dotPH, as the local registry provider for .ph (Philippines) outlined the work they had done previously on marketing .ph. Their initial focus was to market “protect your trade mark by getting a domain name”. This then evolved to cater for a more general business market by stating “get your domain name before somebody else does”.

Their latest campaign, which they are about to finalise and launch, addresses the issue of .com registrations versus those in .ph. They plan to have a series of bill boards with one side showing, for example, a man with a wedding ring and the words “taken.com” while in the picture on the other side the man doesn’t have a wedding ring and it reads “available.ph”. They will be developing the www.available.ph website to fit with the campaign when it starts.

- *Afilias, Cyber Security Outlook for TLD Operators – Ram Mohan*

This presentation covered phishing activity and botnets and stressed that current activities in this areas made DNS diversity even more important than before. Increasingly ccTLDs are becoming a focus of such attacks and, with the range of policies and approaches amongst the various ccTLD operators, security and the approach to it can differentiate your TLD.

There was discussion about how legislation may assist with problems from arising within the country but laws were not generally very helpful when the issues arose from abroad. One point stressed was that registration policies should allow for action to be taken in the case of security issues to ensure the value of the ccTLD could be preserved.

- *APTLD Members’ Survey Report – Don Hollander,*

A survey undertaken of APTLD members shows the wide variety of approaches and policy positions in the various ccTLD registries. An overview of the responses, and detailed results are available at:

<http://aptld.org/manila2009/docs/04%20Membership%20Survey%20Results.pdf>

http://aptld.org/manila2009/docs/01%20-%2003_Who%20are%20we%20-%20Don%20Hollander.ppt

- *CCNIC’s Approach to Phishing and Pharming – Tan Yaling, .cn*

China has introduced an anti-phishing initiative and has established the Anti-Phishing Alliance of China (APAC) which incorporates banks, security firms, e-commerce companies and has

CCNIC as the secretariat. Their experience is that, on a per-domain name basis, the problem is decreasing.

APAC is encouraging registrars / registrants to take action and are looking at developing best practice guidelines in dealing with phishing, as well as collaborating with law enforcement and international organisations.

There were a number of other presentations in this security session including: one from Keith Davidson on the Honey Pot project done in .nz (http://aptld.org/manila2009/docs/01%20-%2006_INZ-APTLD-Honeypot.ppt); the Information Security Framework used in Hong Kong (http://aptld.org/manila2009/docs/01%20-%2008_Security%20Considerations%20-%20Kane-APTLD.ppt); and how to handle different security attacks (<http://aptld.org/manila2009/docs/09%20APTLDWhatsUPDNSSecurity.pdf>).

There was significant discussion on the Fast-track IDN ccTLD Draft Implementation Plan. This is open for comment until 6 April with the final plan due June 2009. There is a view by some within ICANN that some sort of formal agreement with the IDN ccTLD manager would be a requirement for an IDN ccTLD to be made available. Along with this formal relationship, some also consider that payment of some kind should be required.

Currently a ccTLD is under no obligation to formalise its relationship with ICANN or to pay any contribution towards its expenses. There is a view that an IDN ccTLD should not be treated any differently to an ASCII ccTLD and so these aspects should not be mandatory for a country to obtain an IDN ccTLD under the Fast-Track. The counter view by some within ICANN, including some on the ICANN Board, is that it has cost ICANN money to introduce IDNs and that there should be some contribution by those who benefit. They also believe that any new relationship should start off by being formalised and that this is consistent with what a number of ccTLD managers have done over the last couple of years with ICANN anyway.

If agreements are required, how does this fit in with US law prohibiting US organisations from entering into agreements with various countries such as Libya and Iran? As noted on this point though, this has not stopped IANA from working effectively with these countries previously.

Other issues raised in the discussion included:

- The timetable for implementing IDN ccTLDs – as the new gTLD process is delayed, does that mean the ccTLD IDN process has to be delayed or can the ccTLDs proceed in their own timeframe?
- What, if any standards, should be defined for those operating an IDN ccTLD?
- How to define what exactly is a gTLD versus an IDN ccTLD in relation to the number of characters? (Under ASCII two character TLDs represent a country code with three or more required for a gTLD but this isn't as clear cut with IDNs.

APTLDs position is that the Fast-Track is important for the region, and for many other countries around the world. There are a large number of people who are currently unable to access the Internet using their own languages and this can, and should, be remedied.

Part of the focus on the second day was on RFC 1591 and the responsibilities on a ccTLD manager to their local internet community. It started with a general introduction and history of RFC 1591 by John Klensin (http://aptld.org/manila2009/docs/02%20-%2001_J_KlensinIDN-1591-policy-20090224.pdf). This was followed by presentations from some ccTLDs about how they interact with their local internet community. .nz was the subject of a presentation with the DNC outlining the process for setting policy and the general policy framework protecting

registrants etc. This part of the presentation was followed by Keith Davidson who spoke about the wider range of work undertaken by InternetNZ and which is funded out of revenue from .nz (http://aptd.org/manila2009/docs/02%20-%2002_INZ-APTLD%20-%20RFC1591.ppt).

Barbara Roseman outlined the process IANA go through for a re-delegation and the factors that impact on the time it takes, including whether it is contested or not (http://aptd.org/manila2009/docs/02%20-%2004_brr-manila-delegations-090223.pdf). There are still issues for some ccTLD managers about the process and the role of Government in the re-delegation issue.

In discussion on the proposed new gTLD process, it was clear that there was a mixture of opportunity and fear amongst the various registries present. Some were concerned about non-consulted applications for TLDs close to their own names, others saw it as an opportunity pushing registrars to work harder and that will increase volume all around. Generally though, new gTLDs weren't really seen as impacting too negatively on current ccTLDs.

Prior to the AGM commencing, there was a presentation to Don Hollander whose term as General Manager had ended. Don was the first GM for APTLD and did a lot of work in enhancing the quality of the meetings and encouraging membership. His efforts were acknowledged by all. Ramesh Nadarajah is the new APTLD General Manager.

The next APTLD meeting is being held in conjunction with the APNIC meeting in Beijing 24-28 August 2009.

ICANN Mexico 16 March 2009

This was the 34th ICANN meeting and, as in the usual style, it began with a presentation from the hosts. Gabriela Hernandez, Vice Minister of communications of Mexico, spoke about the role that information technology, such as expanding broadband, had on the living conditions of ordinary Mexicans. She spoke about the Government actively taking steps to increase competition including lowering costs of entry and supply and how a choice of providers was also required as that lead to greater competition and enabled people to move to get good service. She said it was necessary to enable all Mexican's to have access to the same information highway.

Following the opening, the meeting heard from Paul Twomey, President and CEO. He listed the topics to be discussed at the meeting, including new gTLDs and the IDN Fast-Track. At the end of his presentation he announced that he would not be renewing his contract and that the search for a new President and CEO had started. His contract ends 20 June 2009 but he will be staying on contract until the end of the year as Senior President.

Various streams of meetings take place at the ICANN conference. The DNC attendance is generally at the ccNSO meetings which start on Monday with a technical day, followed by two days of meetings with a focus on ccTLD matters.

As for the APTLD meeting in Manila, there was a focus on security for the technical day. DNSSEC implementation and Disaster Planning were two of the presentations delivered. A presentation from the FBI on Cross Border Legal Issues was an interesting session for a technical session but it was clear that they are trying to integrate ccTLD registries into law enforcement where cyber crimes are involved. There were a number of law enforcement agencies present at the ICANN meeting and they are looking to share information and undertake bi-lateral investigations where appropriate. Though a lot of what they said had merit, it is apparent that many in law enforcement still do not appreciate the 'hands off use'

position of many registries and the fact that many act without any legal protection if they overstep their mandate. It is hoped that processes and systems can be developed over time to ensure prompt and appropriate action, value to law enforcement investigations and protection to registrants and to the registries.

Kim Davies, IANA, gave an interesting presentation to the ccNSO meeting about how IANA approaches technical conformance. They are phasing in a prohibition on open recursive name servers, a requirement for appropriate name server diversity and no fragmentation of root zone referrals.

IANA studied how the TLDs currently comply with the technical standards they are phasing in. 9.6% of TLDs had open recursive name servers; 7.2% did not have IPv4 server diversity; 68.7% of TLDs with IPv6 did not have diversity while 41% did not have any IPv6. 4.3% of TLDs had referrals that can fragment.

The issue of signing the root was also raised in the presentation. IANA has had a signed root test bed operating for over a year. ICANN already signs 11 top-level domains operationally, and is incrementally signing the last remaining zones under their control. Their strategic plan is to be "operationally ready". No decision has yet been made by the Department of Commerce, US Government, about how the root zone will be signed. Both ICANN and Verisign put forward proposals when put out for discussion. DNCL put in a submission on this supporting the ICANN approach (<http://www.ntia.doc.gov/dns/comments/comment055.pdf>).

One of the key items for discussion at the ccNSO meeting was the IDN Fast-Track implementation. Discussion on this was similar to that at the APTLD meeting, as detailed above. This was also one of the topics discussed when Peter Dengate Thrush (Chair) and Paul Twomey addressed the meeting.

A major point from the ccTLD community, both at APTLD and also at the ccNSO, is the issue regarding formal agreements and payments to ICANN and the different approach to ASCII / IDN ccTLD registries.

The ICANN position was that the reality of IDN ccTLD is that they are new services and there are costs in bringing in new services so who should make a contribution to those costs? The view expressed was that the 60-70% of gTLD registrants who reside in the USA are essentially paying and subsidising ccTLD registrants around the world. They further commented that there was no free ride, no free money, someone has to pay and the level of voluntary contributions from the ccTLD community over the last 10 years indicates that that is unlikely to resolve the funding issue.

Comments in response to this were generally supportive of ccTLDs contributing to IANA expenses and to a bit of other areas of ICANN but that we should not have to contribute to areas ccTLDs haven't asked for and don't benefit from. Detailed financial information about the costs of ICANN are being worked on and should be released in the next couple of months so that ccTLD managers can see what the specific cost of that service is.

There was no support for mandatory agreements being required for an IDN ccTLD, though many registries interested in an IDN Fast-Track indicated they probably would look at formalising the relationship with ICANN.

It was also commented that for the Fast-Track IDN ccTLD process, "fast" was in relation to the standard PDP approach not in relation to the new gTLD approach and there was general agreement that the ccNSO should progress with their IDN track as currently planned and not be deferred by any delays in the gTLD process.

The IDN ccTLD Fast-Track was the one item on the agenda for the joint Government Advisory Committee (GAC) / ccNSO meeting. There was general agreement between the two constituencies with the GAC communiqué stating:

“The GAC reiterates its view that documentation of responsibilities and fees should be kept voluntary.

The GAC notes the growing interest and level of preparedness in many countries and territories to introduce IDN ccTLDs under the fast track process. The GAC hopes that the development of the IDN ccTLD fast track and new gTLD implementation plans should proceed smoothly and that decisions on their rollouts will be taken by the Board in its 2009 annual meeting. In the event of any delay in the new gTLD implementation plan, the GAC believes that the IDN ccTLD fast track should not be affected by such a delay.”

To summarise the ccNSO position:

In respect of the relationship between ICANN and IDN ccTLD Operator

- IDN ccTLDs should be similarly treated as ASCII ccTLDs.
- A documented relationship between ICANN and IDN ccTLD operators should be kept voluntary.
- A documented relationship on the basis of the proposed “Documentation of Responsibilities”, either as it stands today or in a modified format, may be encouraged but should not be a condition for IDN ccTLD delegations.
- As it has always been the case, it's in the best interest of ccTLDs operators and the entire IDN community to adhere to all relevant IETF standards including IDNA protocol, IDN Guidelines and commit to complying with future protocol updates.

In respect of financial contributions

- IDN ccTLDs should be similarly treated as ASCII ccTLDs.
- Financial contributions should be calculated on a cost recovery basis. Full disclosure and breakdown of the costs involved in the IDN program would be desirable for better understanding of possible cost recovery models.
- Financial contributions should be kept voluntary and should not be a condition for IDN ccTLD delegations.
- Further information, from ICANN staff, on the different possible cost recovery mechanisms and concrete proposals would help advance positions on the subject.

Council
InternetNZ

Monthly .nz report for April 2009

1. Statistics

- The level of active .nz domain names increased from 353,430 to 355,779. An increase of 2,349.

	31 Mar 09	30 April 09	Creates	Renewal	Net Change
.ac	1,665	1,639	25	358	-26
.co	304,330	306,376	6,580	59,797	2,046
.cri	15	15	0	4	0
.geek	873	867	16	199	-6
.gen	1,204	1,202	11	298	-2
.govt	988	988	2	900	0
.iwi	67	68	1	11	1
.maori	544	539	16	73	-5
.mil	18	20	2	8	2
.net	20,336	20,451	445	3,924	115
.org	20,545	20,746	442	3,868	201
.parliament	6	6	0	6	0
.school	2,839	2,862	32	1,194	23
Total	353,430	355,779	7,572	70,640	2,349
rowth over previous month	1,966 (0.6%)	2,349 (0.7%)			

2. Registry Performance

SRS Availability and Performance

May 08	Jun 08	Jul 08	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09
100	100	99.99	99.97	99.98	99.91	99.99	100	99.96	99.92	99.99	99.95

Outages during month greater than 5 minutes: Nil

Transaction	Average Response Times (in seconds)		
	As per SLA	April 2009	Av last 12 months
Domain Details Query	0.5	0.05	0.04
Domain Update	0.8	0.38	0.41
Domain Create	0.8	0.44	0.47
Get Message	0.5	0.03	0.04
WHOIS	0.5	0.11	0.12
UDAI Valid Query	0.5	0.13	0.16

DNS Availability and Performance

Server	Availability									
	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09
NS1	100	100	100	100	100	100	100	100	100	100
NS2	100	100	100	100	100	100	100	100	100	100
NS3	100	100	100	100	100	100	100	100	100	100
Old NS4	99.99	100	99.96	100						
NS4a				100	100	100	100	100	100	100
NS5	100	100	100	100	100	100	100	100	100	100
NS6	100	100	100	100	99.97	100	100	100	100	100
NS7	100	100	100	100	100	100	100	100	100	100

Performance Stress Testing

The figures are derived from the 'stress testing' of the name servers. 1201 UDP and 121 TCP transactions are used. Measurements are in milli-seconds.

DNS	Target	UDP transactions						TCP transactions					
		Nov	Dec	an 09	Feb 09	Mar 09	Apr 09	Nov	Dec	an 09	Feb 09	Mar 09	Apr 09
NS1	5 50	0.04	0.5	0.04	0.04	0.04	0.04	0.15	0.15	0.15	0.15	0.14	0.15
NS2	5 50	0.05	0.5	0.05	0.05	0.05	0.05	0.15	0.15	0.16	0.15	0.16	0.16
NS3a	5 50				0.04	0.05	0.05				0.15	0.15	0.14
NS3b	5 50		0.04	0.05	0.04	0.05	0.04		0.15	0.15	0.14	0.14	0.14

The measurements for the Primary name servers and NS1, NS2 and NS3 are taken by running the programme on the individual servers.

SRS Zone Pushes

These figures show the average time taken from the point that the first Primary begins the zone push to the time that the last of the secondary's acknowledges that it is up to date.

Measurement	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	an 09	Feb 09	Mar 09	Apr 09
Average Time (sec)	308	307	306	284	287	231	170	162	168

DNS Project

The Albany cluster (ns2) has been successfully updated to the new cluster specification and is operating as an anycast node. The Christchurch cluster is currently being installed and tested. This work is expected to be completed by the middle of May and this cluster will become a second ns2 anycast instance.

3. .nz Policies and Procedures

- A review of the .nz Privacy Policy commenced in March. A copy of the consultation paper is at <http://dnc.org.nz/pri-review> and submissions closed 4 May. No submissions were received.

- A Registrar's authorisation agreement was terminated following the sale of the business to an unauthorised entity without prior approval of the DNC. Arrangements were made to transfer all domain names to another authorised .nz Registrar.

4. Registrar Authorisation and Connection

Registrars authorised	73
Registrars connected	70

Number authorised during the month: Nil

Number de-authorised during the month: One – refer above

Number connected during the month: One – 123 Internet Ltd

5. Other .n matters

- There was a meeting of the Domain Name Commission Board on 11 May 2009. A copy of the minutes is online at <http://www.dnc.org.nz/?clsid=1&catid=29>.
- “.nz is our home” is the tagline for the awareness of .nz campaign and the filming of the talent for the videos was completed in April. The focus is on nine 2LDs at this time - .co.nz, .net.nz, .org.nz, .geek.nz, .maori.nz, .govt.nz, .mil.nz, .school.nz and .ac.nz. The videos reflect how the organisations and people use their particular domain name and how it fits with who they are.
- In conjunction with NZRS, a decision was made to put measures in place to counter possible misuse of the .nz domain by the Conficker C worm. The worm's authors programmed it to randomly generate domain names from 110 country code domains, including .nz. 40,000 .nz domain names were identified as potentially being used so it was decided to blacklist these and prevent automatic registrations of those names. Registrars were advised and a manual process put in place, through the DNC to allow any legitimate registration of names on the blacklist for the period April through to end of June.

6. Dispute Resolution Service

	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09
Valid Complaints Received	5	10	10	6	3	3	6	5	3
Pre-mediation settlement	1	2	0	2	1	2	1	0	2
Sent to Mediation	4	5	1	1	2	2	1	2	1
▪ Settled at Mediation	1	0	3	0	0	0	1	2	0
Referred to E Pert	0	2	1	6	2	1	1	1	1
▪ Transferred	0	1	1	2	3	2	1	1	0
▪ Dismissed	1	0	0	1	1	0	1	0	0
Withdrawn	1	1	4	0	0	2	1	3	0

7. DNC Office

- The office is working on a new website design for the DNC site, reflecting the new logo that will be introduced when the new look is completed, hopefully sometime in June. A review of the content management system and design of the site will follow later this year or early next year.

Joy Liddicoat
Acting Chair, DNCL

GLOSSARY OF TERMINOLOGY

2020	2020 Communications Trust – public good group engaged in outreach in NZ
2LD	Second Level Domain, a name at the second level of the DNS, for example, in .nz domain name hierarchy internetnz.net.nz. “.net” is at the second level. The .nz domain name space has several 2LDs to choose from
3LD	Third Level Domain. An example is “internetnz” which is at the third level of the domain name internetnz.net.nz
ACCC	Australian Competition and Consumer Commission – the competition regulator in Australia (equivalent to our Commerce Commission)
ACMA	Australian Communications and Media Authority – the communications industry regulator in Australia, working with the ACCC
ALAC	At-Large Advisory Committee is responsible for considering and providing advice on the activities of the ICANN, as they relate to the interests of individual Internet users
ALGIM	Association of Local Government ICT Managers (NZ)
ALS	At Large Structure – ICANN recognises some organisations as ALS’s – InternetNZ is an ALS
APCERT	Asia Pacific Computer Emergency Response Team
APIA	Asia Pacific Internet Association – Organisers of APRICOT, InternetNZ is a member
APNIC	Asian Pacific Network Information Centre, responsible for distributing and registering Internet address resources throughout the Asia Pacific region. APNIC is a Regional Internet Registry (RIR)
APRALO	Asia Pacific Regional At Large Organisation. – an ICANN recognised group of At Large Structures within an ICANN region
AP* or APSTAR	Coalition of various Asia Pacific technical groups including APNIC, APTLD, APIA etc
APTLD	Asia Pacific Top Level Domains Association, is an organisation for ccTLD (country-code Top Level Domain) registries in Asia Pacific region
APRICOT	The Asia Pacific Regional Internet Conference on Operational Technologies – an annual, 10 day technical conference held in February in the Asia Pacific Region
ARIN	American Registry for Internet Numbers, is the RIR for North America
ASO	Address Supporting Organisation, advises the ICANN Board of Directors on policy issues relating to the allocation and management of IP addresses. Its membership are the 5 regional RIRs like APNIC, RIPE and ARIN
auDA	Australian Domain Authority – the .au, Australian equivalent of DNCL
AUP	Acceptable Use Policy
CA	Certification Authority
CCC	Customer Complaints Code
CCIP	Centre for Critical Infrastructure Protection, A Government agency seeking protection of NZ's critical infrastructure from information-related treats, such as are posed by unauthorized access to computer systems, viruses and damage to telecommunications links.
ccNSO	The Country Code Name Supporting Organisation, the constituency group of ccTLD Managers within ICANN

ccTLD	Country -Code Top Level Domain such as.uk (United Kingdom), .de (Germany) and correspond to a country, territory, or other geographic location as specified in the ISO 3166 two letter country code list, with few exceptions
CENTR	Council of European National Top Level Domain Registries, Is an association of ccTLD managers in Europe, their equivalent of APTLD
CERT	Computer Emergency Response Team – Virus and computer intrusion protection group
CIRA	Canadian Internet Registry Authority – operators of the .ca ccTLD
DDC	Digital Development Council – New NZ body formed by NZ Government to undertake projects relating to the fulfillment of the Digital Strategy.
DDF	Digital Development Forum – a broader group having input into the DDC
DNCL	Domain Name Commission Limited, a subsidiary of InternetNZ responsible for the day-to-day oversight of and policy development for the .nz domain name registration and management system.
DNS	Domain Name System.
DNSSec	DNS Security - adds security to the Domain Name System.
DOT	Digital Opportunities Trust, An InternetNZ developing project.
DRS	Dispute Resolution Service. The .nz Dispute Resolution Service provides an alternative to court action, giving parties another mechanism to resolve disputes which arise regarding the registration of a domain name.
EDANZ	Economic Development Association of New Zealand
ENUM	Electronic Numbers, unifies traditional telephony and next-generation IP networks, and provides framework for mapping and processing diverse numbering plans. It can transform a telephone number into a universal identifier that can be used across many different devices and applications (voice, fax, mobile, email, text messaging, location-based services and the Internet).
EPP	Extensible Provisioning Protocol is a flexible protocol designed for allocating objects within registries over the Internet.
FTP	File Transfer Protocol, is a protocol for exchanging and manipulating files over any Transmission Control Protocol, TCP-based computer network.
FTMH	Fibre to MY HOME!
FTTC	Fibre to the Cabinet or sometimes Fibre to the Curb
FTTH	Fibre to the Home
FTTM	Fibre to the Marae (i.e. to community venues)
FTTX	Fibre to everywhere
GAC	Government Advisory Committee is an advisory committee comprising appointed representatives of national governments which serves as advisors to the ICANN Board
GKP	Global Knowledge Partnership – an international body that undertakes outreach and projects relating to “ICT for Development”. INZ is a member
GCSB	Government Communications Security Bureau

HTTP	Hypertext Transfer Protocol, is a request/response standard between a client and a server.
HWL	Hectors World Ltd, project supported by InternetNZ providing education on child safety issues through "Hector's World", a programme developed in the past few years.
IAB	The Internet Architecture Board, an ISOC group who look after the architecture of the core of the Internet
IANA	Internet Assigned Number Authority is a function undertaken by ICANN and contains the authoritative database of TLD's and IP address allocations, which are published on the 13 Root Servers on the Internet
ICANN	International Corporation for Assigned Names and Numbers, is an internationally organised, non-profit corporation established by the US Government to administer the unique identifiers of the Internet, including the IANA function.
ICOP	Internet Code of Practice
ICT	Information and Communications Technology
IDN's	Internationalised Domain Names are web addresses in your own language.
IETF	The Internet Engineering Task Force is ISOC's task force open to anyone, and designs the technical rules and standards for the Internet's underlying protocols
IESG	Internet Engineering Steering Group – a further group of ISOC technical people
IGF	Internet Governance Forum – an annual meeting hosted by the ITU / UN to look at a broad range of governance issues and organized by a multistakeholder advisory group
InternetNZ (or INZ)	The delegated manager of .nz and not for profit open membership society whose vision is "an open and uncaptureable Internet", having objectives aligned to ISOC's.
IP	Internet Protocol (an abbreviation of TCP/IP (Transmission Control Protocol / Internet Protocol) Also can mean Internet Packet – the Internet relies on "packets" of information being sent over the infrastructure.
IP	Intellectual Property – sometimes relevant in the Internet world
IPv4	Internet Protocol version 4 - The widely used IP address space on today's Internet – which is rapidly being exhausted. It offers address space of only 4 billion numbers, which initially seemed vast, but as the internet grows, is totally inadequate.
IPv6	Internet Protocol Version 6, offers trillions upon trillions upon trillions of IP addresses (3 x10 ³⁸ to be precise) but has no ready interaction with IPv4,
ISOC	The Internet Society is the international organisation for global cooperation and coordination for the Internet and its internetworking technologies and applications, with the vision of "The Internet is for Everyone"
IAP	Internet Access Provider
ICP or CP	Internet Content Provider
ISP	Internet Service Provider
ISPANZ	Internet Service Provider Association of New Zealand (Inc) is a non profit, industry group that represents most Internet Service Providers operating in NZ. To promote a fair and fully competitive Internet marketplace where our members can deliver the full benefits of the Internet to the NZ public and our economy.
ITU	International Telecommunication Union, purpose is to promote technical and practical coordination and cooperation of telecommunications services.
gTLD	Generic Top Level Domain – includes .com, .org, .net, and several more (not a ccTLD like .nz)

LGNZ	Local Government New Zealand – the association of local authorities in NZ.
MED	Ministry of Economic Development works to “ensure NZ is one of the best places in the world to do business, and to make a real difference to the country's economic performance.” It is the main government department responsible for ICT policy and the Digital Strategy.
MAG	Multistakeholder Advisory Group – the ITU / UN established group which organizes the IGF.
MoU	Memorandum of Understanding
MSP	Managed Spectrum Park, is a flexible, cooperative, low cost and self-managed approach to the allocation and use of radio spectrum useful for Internet accessibility.
NAD	Number Administration Deed, is an industry-based mechanism for the centralised and independent administration of NZ telephone numbers.
NomCom	The Nominating Committee of ICANN, empowered to recommend appointees to governance positions within ICANN
Nominet	The operators of the .uk ccTLD
NTIA	National Telecommunications and Information Administration – the branch of the US Governments Department of Commerce that administers the MoU with ICANN
NZCID	New Zealand Council Infrastructure Development, purpose is world class infrastructure for the benefit of all New Zealanders. Done by raising awareness, generating valuable debate, encouraging the implementation of best practice and identifying the condition of NZ's infrastructure and how best to overcome the challenge.
NZCS	New Zealand Computer Society, is the professional body ICT professionals in NZ and works hard on behalf of our profession and the sector as a whole
NZNOG	New Zealand Network Operations Group is an online community of network operators, predominantly in the Internet and Online Services area.
NZOC	.nz Oversight Committee, the former sub-committee of InternetNZ with the delegated authority to provide effective stewardship of the .nz domain name space. Has been replaced by DNCL.
NZRS	New Zealand Domain Name Registry Ltd, trading as.nz Registry Services, the organisation responsible for operating the .nz 100% owned by InternetNZ
Ofcom	The Office of Communications - an independent organisation which regulates the UK's broadcasting, telecommunications and wireless communications sectors.
PACINET	Annual Conference organized by PICISOC
PACNOG	Pacific Network Operators Group like NZNOG but for the Pacific Islands
PIC	Parliamentary Internet Caucus – an InternetNZ convened group of MPs who discuss issues relevant to the Internet on a regular basis, at Parliament.
PICISOC	Pacific Islands Chapter of Internet Society
PIP	Pacific Internet Partnership, INZ is one of 3 partners which funds outreach to the Pacific Islands.
PIR	Public Internet Registry – ISOC's company that runs the “.org” gTLD
PPC or PubPol	Public Policy Committee, a committee that advised the Executive Director (and through them the Council) on public policy issues.
PSG	President's Strategy Committee (of ICANN)

RAG	Registrar Advisory Group, set up to represent the collective interests of the registrar community in the DNCL's policymaking.
RALO	Regional At Large Organisation – an ICANN recognised group of At Large Structures within an ICANN region
Registrant	The person or entity who holds the right to use a domain name
Registrar	An entity that has been authorised by the Domain Name Commission to register domain names on behalf of registrants.
Register	The authoritative record of .nz domain names managed and operated by the registry.
Registry	The entity that operates the .nz domain name register, providing access to authorised registrars. NZRS is this entity today.
Reseller	An agent providing registration services through a registrar. They have no official status in the .nz domain name space.
RFC	Request for Comment, the main standards development process for the Internet, managed by the IETF.
RFI	Request for Information
RFP	Request for Proposal
RIR	Regional Internet Registry – the IP address allocation groups including APNIC, ARIN, RIPE
RTFM	Read the Flaming Manual! Sometimes an aggravated response to someone who hasn't read what they were supposed to.
SLA	Service Level Agreement
SMS/MMS	Short Message Service / Multimedia Message Service
SO	Supporting Organisation, within ICANN, examples being the ccNSO, ASO, gNSO.
SRS	Shared Registry System, a single database for registering and maintaining domain names which is able to be accessed by authorised .nz registrars.
SSC	State Services Commission.
SSU	Shared Services Unit
sTLD	Sponsored Top Level Domains, is derived from the fact that these domains are based on "theme" concepts proposed by private agencies or organisations that establish and enforce rules restricting the eligibility of registrants to use the TLD. e.g. .museum, .travel
TCF	Telecommunication Carriers Forum, the organisation that provides a forum for telecommunications carriers to draw up self-regulatory codes that apply to the industry.
TCP	Transmission Control Protocol is to provide reliable, securable logical circuit or connection service between pairs of processes.
TDRS	Telecommunications Dispute Resolutions Service
TLD	Top-Level Domains are the names at the top of the DNS naming hierarchy. E.g. .nz, .com.
TSO	Telecommunications Service Obligation – the former “Kiwishare” that requires free local calling and caps line rentals for residential customers.
TUANZ	Telecommunications Users Association of New Zealand.

UN	United Nations – replacement body to the League of Nations established in 1948
UNDP	United Nations Development Programme – A UN project which has branch offices in Samoa and Fiji, administering the Pacific Islands development programmes
UDRP	Uniform Dispute Resolution Policy. All ICANN-accredited registrars follow a uniform dispute resolution policy. Under that policy, disputes over entitlement to a domain-name registration are ordinarily resolved by court litigation between the parties claiming rights to the registration.
UNESCO	United Nations Educational Scientific and Cultural Organisation , a branch of the UN, which has an office in NZ
W3C	World Wide Web Consortium, is an international industry consortium to develop common protocols that promote the evolution of the World Wide Web and ensure its interoperability.
WG	Working Group – usually of Councillors and InternetNZ members and staff, to work on projects the Society is pursuing.
WHOIS	A database query system that provides technical contact information and other details about a domain name registrant
WIP	World Internet Project is an international research project that aims to track trends of the Internet over a number of years assessing its impact around the world by each country surveying both users and non-users of the Internet. Sponsored by InternetNZ.
wwTLD	The World Wide Alliance of country code Top Level Domain Names – a body established outside of ICANN, but largely now subsumed into the ICANN ccNSO
WIPO	World Intellectual Property Organisation is an intergovernmental organisation based in Geneva, Switzerland responsible for the promotion of the protection of intellectual rights throughout the world.
WIT	Women in Technology NZ.
WSIS	World Summit on the Information Society – a 4 year study and summit undertaken by the UN and ITU.
WGIG	Working Group on Internet Governance – a working group under WSIS
WSA	World Summit Awards